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October 18, 2023

Via electronic mail

Office of the Commissioners
Maine Public Utilities Commission
18 State House Station
Augusta, ME 04333-0018

Subject: Transmission Services Agreement Negotiations for the Aroostook Renewable Gateway Project

Dear Chair Bartlett and Commissioner Scully:

We are writing to express our interest in a successful conclusion to the negotiation of a Transmission Services Agreement for the Aroostook Renewable Gateway transmission project.

This project is designed to unlock the significant onshore wind potential that exists in Aroostook County, which will create significant economic benefits, and substantially contribute to achieving Maine's climate and clean energy goals.

The process of bringing significant new onshore wind resources in northern Maine online began with the 2021 passage of LD 1710, an Act To Require Prompt and Effective Use of the Renewable Energy Resources of Northern Maine. This in turn led to the Commission selecting the King Pine project – a 1,000 MW onshore wind project – and the Aroostook Renewable Gateway transmission project to connect that new source of renewable energy to the New England grid. Many of the undersigned groups testified earlier this year in the legislature in support of LD 924, a Resolve to Provide Legislative Approval of Northern Maine Transmission Infrastructure. Noting our collective interest in seeing these projects built with a minimum of environmental and community impacts, we urged the Legislature to approve the proposed transmission line as an important step in bringing these projects online in the service of addressing the urgent challenge of climate change — recognizing that the route and many of the specific details will be addressed in subsequent steps.

Transmission development is key to meeting Maine's statutory climate and clean energy requirements, and to doing so affordably. According to Maine's 2021 Renewable Energy Goals Market Assessment, "many lower-cost pathways to meet Maine's RPS requirements in the next decade are achievable

through the development of high-quality wind resources in western and northern Maine, which in turn require new transmission investments.”¹ LD 1710 explicitly recognized that “in advancing the renewable energy and climate policies and goals of the State, the near-term development of the transmission and other infrastructure necessary to reduce greenhouse gas emissions is in the public interest.”² A 2022 Daymark Energy Advisors report showed that new wind projects of this scale both reduce emissions and put significant downward pressure on wholesale market prices by displacing more expensive generation resources.³

Meeting Maine’s goals must also occur in a regional context, and Massachusetts’ commitment to procure 40 percent of the projects’ generation and transmission makes this project a positive example of regional collaboration.⁴ Regional collaboration of this kind will benefit Maine in future efforts to decarbonize New England’s power sector through offshore wind development or other regional transmission efforts.

Every energy system has impacts, and major projects like these should each be evaluated on their own merits, and in the context of the available alternatives. Transmission developers should make every effort for their projects to avoid, minimize, or compensate for negative environmental and community impacts. LS Power, the Aroostook Gateway project developer, has engaged our groups, describing their intentions and efforts to avoid or minimize impacts to a variety of important natural resources and habitats and to work collaboratively with communities and stakeholders. In July, the developer held multiple open houses along their initial proposed route options, seeking important community input in advance of the formal permitting process. We encourage that outreach and expect LS Power to incorporate community and stakeholder feedback in the final route proposal. We further recognize that many of the specific details of how the project will avoid, minimize or compensate for environmental impacts will be determined in the multiple permitting steps still required for this project.

Our understanding is that the immediate next step for this project is to secure a final Transmission Services Agreement (TSA), currently in negotiations overseen by the Commission. According to the November 2022 Proposed Term Sheet for the transmission line, the Commission set May 2023 as the milestone date for the execution of the TSA.⁵ Reaching an agreement is important to moving the project forward toward additional public engagement and the lengthy permitting process, where we expect many specific issues relating to environmental impacts and community benefits to be addressed. Failing to do so may jeopardize the project itself, putting off the opportunity for developing wind resources in Northern Maine indefinitely, or resulting in a lengthy and costly new solicitation to meet the directives of LD 1710. Additionally, this could set a negative market signal for future large-scale renewable energy development in Maine, including offshore wind and associated transmission infrastructure.

¹ https://www.maine.gov/energy/sites/maine.gov.energy/files/inline-files/GEO_State%20of%20Maine%20Renewable%20Energy%20Goals%20Market%20Assessment_Final_March%202021_1.pdf

² <http://www.mainelegislature.org/legis/bills/getPDF.asp?paper=SP0563&item=5&snum=130>

³ https://cleanpower.org/wp-content/uploads/2022/12/ACP_Daymark_MarketEnv_Benefits_Final_Public.pdf

⁴ <https://www.pressherald.com/2023/01/31/northern-maine-wind-power-project-wins-puc-approval/>

⁵ <https://mpuc-cms.maine.gov/CQM.Public.WebUI/Common/ViewDoc.aspx?DocRefId={DDE19340-6B15-46A1-B398-53B93F4067ED}&DocExt=pdf&DocName={DDE19340-6B15-46A1-B398-53B93F4067ED}.pdf>

We are optimistic that we can build the necessary renewable energy generation and transmission infrastructure required to meet the challenge of climate change — one of the greatest challenges facing our local communities, wildlife, and environment — while appropriately minimizing the immediate impacts of development, which is why we have supported advancing these projects thus far.

Given the opportunity, our groups will continue to be engaged at each step of the multiple state and federal permitting processes ahead. We urge the Commission to work expeditiously towards reaching an agreement that is acceptable to all parties, so that the evaluation of this project can continue.

Sincerely,

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CC Elizabeth Mahony, Commissioner, Massachusetts Department of Energy Resources
Andrea Campbell, Massachusetts Attorney General