# STATE OF MAINE PUBLIC UTILITIES COMMISSION

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MAINE PUBLIC UTILITIES COMMISSION Request for Proposals for Renewable Energy Generation and Transmission Projects Pursuant to the Northern Maine Renewable Energy Development Program

Central Maine Power Company ("CMP" or "Company") hereby responds to Order No. 3 of the Maine Public Utilities Commission's ("MPUC" or "Commission") February 3, 2023 Order ("Order"), and respectfully requests a waiver of the Order's June 30, 2023 deadline for Maine's T&D Utilities to submit to the Commission for approval final versions of the Transmission Services Agreement ("TSA") with LS Power and Purchase Power Agreement ("PPA") with Longroad Energy. As discussed below, the Order contemplates several steps before Maine's T&D Utilities submit final versions of the contracts. CMP will not be in a position practically or in actuality to submit contracts until it has had an opportunity to review terms and work with staff on terms. That review CMP expects would include an understanding of the projects including considerations such as relevant costs, routing, and other essential terms, in order to assure least risk for customers and equally favorable terms for Maine customers as may be agreed to with the Massachusetts electric distribution utilities ("Massachusetts EDCs"). CMP remains engaged and

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#### I. Procedural Background

On February 3, 2023 the Commission issued an Order approving the projects presented in the LS Power and Longroad Energy Term Sheets after the Massachusetts Department of Energy Resources issued its determination letter committing to procure contracts for 40% of the costs

constructive about this process, but requires a waiver given the status of negotiations.

Central Maine Power Company's Response to Commission Order and Request for Waiver

#### DOCKET No. 2021-00369

June 28, 2023

associated with the Projects proposed by LS Power and Longroad Energy. The Commission delegated to the "Director of Electric and Natural Gas Industries the authority to name which of Maine's investor-owned utilities, Central Maine Power, Versant Power, or both, will serve in the capacity of counterparty in the agreements that would result from the approval of the Term Sheets."

The Commission also directed "Commission Staff to work with LS Power, Longroad, and with one or more of Maine's investor-owned utilities to develop final contracts that are consistent with the Term Sheets, the Commissions' requests for proposals, and all applicable laws." Specifically Order Number 2 states:

Commission Staff are directed to work with the owners/developers of the resources whose Term Sheets have been selected, and with all other parties in Maine and Massachusetts, including but not limited to Central Maine Power and Versant Power (as delegated by the Director of Electric and Natural Gas Industries), the Massachusetts EDCs, as well as the Massachusetts Department of Energy Resources and Attorney General to enter into negotiations for a Transmission Services Agreement and Purchase Power Agreement.

Order Number 3 provides that "in the event negotiations are successful, Maine's T&D Utilities are directed to submit final versions of the contracts that are consistent with the terms set forth in the Term Sheets ... to the Commission for approval prior to execution by the parties on or before June 30, 2023."

Following the issuance of this Order, CMP expressed its willingness to participate in the process and sought to be directly involved in the negotiations of the terms of the TSA and PPA. At that time, Commission Staff indicated it would take the lead on negotiating the substance of the TSA and PPA and would circulate concept draft agreements in the future. After learning negotiations with the developers were underway, on May 2, 2023, Versant Power filed proposed commercial terms for the PPA and TSA that Versant hoped would be included in the draft agreements. On May 9, 2023, Versant power sought a waiver from Commission Order Number

3, citing concerns about the June 30, 2023 deadline.

## II. Good Cause Exists for a Waiver of the June 30, 2023 Deadline.

Based on the Commissions February 3<sup>rd</sup> Order, several steps need to occur before CMP is in a position to submit to the Commission for approval final versions of the PPA and TSA that would be executed by the parties before June 30, 2023. First, while CMP has assumed it would be a counterparty to those agreements, to date there has not been any formal direction on the record from the Director of Electric and Natural Gas Industries as to whether that is the case. In addition, CMP will not be in a position to agree to sign a PPA and TSA without first having time to review and negotiate the terms. Second, to date CMP has not been involved in negotiations of the draft agreements with Commission Staff as is contemplated by the Commission's Order. CMP understands that negotiations between the project developers and Commission Staff is underway and CMP stands ready to participate upon invitation. Third, to date CMP has not been provided with draft concept agreements to begin to review. Once that occurs CMP will need to carefully review those to ensure that they include commercially reasonable terms, like those suggested by Versant in its May 2<sup>nd</sup> filing and will need appropriate time for such review. Finally, CMP has recently received the unredacted term sheet from LS Power and is in the process of assessing whether it has the information it needs from LS Power and Longroad Energy to adequately review the contracts when they are received for such review.

## III. Conclusion

CMP remains eager to participate in negotiations of the TSA and PPA for the Northern Maine Renewable Energy Development projects to assure least cost and risk for CMP customers. CMP appreciates that this effort is a significant and complex undertaking for Commission staff and parties, and welcomes the opportunity to begin work with staff as contemplated in the Order. But for the foregoing reasons CMP is not in a position to deliver or execute contracts by June 30, 2023. Wherefore, CMP respectfully requests a waiver of the June 30, 2023 deadline.

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