

MAINE PUBLIC UTILITIES COMMISSION
Review Comments

Bingham Wind Project
June 25, 2013

Introduction

The Department of Environmental Protection (DEP) has requested that the Public Utilities Commission (PUC) provide review comments with respect to Blue Sky West, LLC's proposed Bingham Wind Project. The Bingham Wind Project is a 191 MW, 62 turbine project located in Somerset and Piscataquis Counties.

An Act to Implement Recommendations of the Governor's Task Force on Wind Power Development (Act) requires DEP to determine whether the Bingham Wind Project will provide "significant tangible benefits."¹ As defined by statute, tangible benefits mean:

environmental or economic improvements or benefits to residents of this State attributable to the construction, operation and maintenance of an expedited wind energy development, including but not limited to: property tax payments resulting from the development; other payments to a host community, including but not limited to, payments under a community benefit agreement; construction-related employment; local purchase of materials; employment in operations and maintenance; reduced property taxes; reduced electrical rates; natural resource conservation; performance of construction, operations and maintenance activities by trained, qualified and licensed workers in accordance with Title 32, chapter 17 and other applicable laws; or other comparable benefits, with particular attention to assurance of such benefits to the host community or communities to the extent practicable and affected neighboring communities.²

The Act specifies that the siting authority shall presume the general energy and emissions-related benefits stated in statute (e.g. reduced reliance on fossil fuels, reduced emissions and energy security) and make additional findings regarding other tangible benefits.³ The provision also states that the PUC

¹ P.L. 2007, ch. 661, section C-4 (codified at 12 M.R.S.A. § 685-B(4-B)).

² 35-A M.R.S. § 3451(10).

³ 35-A M.R.S. §§ 3402(1), 3454.

(among other agencies) shall submit review comments at the request of the siting authority.⁴

The PUC is pleased to provide review comments within its areas of expertise. Thus, we comment on tangible benefit issues involving the electricity market and pricing.

Discussion

In its application for the Bingham Wind Project, Blue Sky West states that the Project will provide tangible benefits in that it will exert downward pressure on electricity prices, increase energy diversity and reduce price volatility in Maine.

The PUC agrees that wind projects tend to reduce prices in the wholesale markets and contribute to energy diversity and price stability. Under the statute, additional benefits should be considered by DEP in its evaluation of significant tangible benefits because the Act specifies that the general energy and environmental benefits of an expedited wind energy development should be presumed and DEP should consider additional "tangible benefits" for purposes of satisfying the significant tangible benefits requirement.

The PUC appreciates the opportunity to provide these comments.

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⁴ 35-A M.R.S. § 3454.