

Section IV:

Virtually every study report on climate change that has been issued recently has pointed out the need to focus major effort on energy efficiency. Substantially increasing Maine's energy efficiency in a variety of ways would provide a larger payback, in both greenhouse gas emission reductions and dollars, than would any other action we could take. Promoting energy conservation will also reduce the environmental impacts of constructing new wind power and other renewable energy facilities by reducing the number of those facilities that we need.

On the source-abatement side of the greenhouse gas equation (i.e., reducing our use of fossil fuels), wind power is a significant potential source of renewable electricity generation in Maine, and therefore should be pursued aggressively. Increased energy efficiency and a greater reliance on renewables (on wind, in particular) can both be accomplished in a relatively short period of time. Together they would also increase our energy security. Consequently, policy makers should link the development of wind power and other renewables to energy efficiency initiatives wherever possible in order to encourage both.

Additional benefits of wind power to Maine people that could be created:

1. Divide the state into several "energy" regions and establish some fixed percentage of Maine's greenhouse gas reduction goals (38 MRSA § 576) that will be achieved on a regional basis. Allocate that percentage over all of the regions (most likely, based on population). Provide incentives to regions for achieving their allocation. Hosting new wind power and other renewable energy facilities would be one of several ways for a region to meet its allocation. [Other ways include getting towns in the region to enroll in Cool Communities or other similar programs to reduce energy use, improving public transportation in more urban areas, setting up car-pooling opportunities, etc.] Potential incentives for meeting a region's allocation are described below.
2. Put municipalities/unorganized townships that host commercial-scale wind power at the top of the priority list for grants/loans for energy efficiency for residences and businesses through Efficiency Maine or the Energy and Carbon Savings Trust Fund. [Or this could be an incentive in the "energy regions" program described above.]
3. Set up an allowance retirement program under Maine's RGGI statute. [States are permitted under the RGGI MOU to set up allowance retirement programs, but Maine appears not to have done so. The purpose of such a program is to encourage ratepayers to voluntarily purchase qualified renewable energy (including wind), knowing that their CO2 emissions will be offset by the retirement of equivalent CO2 emission allowances from the state's emissions budget.] Add a further incentive by giving those ratepayers priority for receiving energy efficiency grants/loans through Efficiency Maine or the Energy and Carbon Savings Trust Fund.
4. Create new, lower electricity rate classes for residences and businesses in municipalities/unorganized townships that host commercial-scale wind farms. [This would provide a financial benefit that is directly related to hosting wind, as opposed to the property tax relief that taxpayers experience as a result of other kinds of industrial/commercial development. It would also benefit renters.] These new rate classes could be a stand-alone benefit in communities that host wind, or could be provided as one of the incentives for meeting "energy regions" allocations described above, if such a regional program were established.

5. Explore ways to make sure that Maine residences and businesses (individually or as a group) are first in line for electricity contracts with wind power generators. For instance, explore ways to make wind generation contracts a preferred alternative for the State's standard offer. Or expand on the concept described by Jack Cashman regarding the local business that needed to reduce its energy costs to stay in business. [The latter could be an incentive in the "energy regions" program described above.]
6. For Maine's Indian tribes that are interested in hosting wind power, provide them with assistance in resolving the legal and other questions that have arisen in connection with the siting of wind on tribal land. [Tribes would benefit directly, through lease payments, etc., if commercial-scale wind were sited on tribal lands.]
7. In the Energy and Carbon Savings Trust statute (35-A MRSA §10008), explore changing the apportionment between electricity and non-electricity energy conservation programs in subsection (6)(B). Is 85% / 15% the right balance, considering the fact that it is costing Maine consumers much more money for the inefficient use of heating oil than for electricity?

Section V:

1. Maine's congressional delegation definitely should be urged to aggressively seek an extension of the Production Tax Credit.
2. I don't see a need for wind Pine Tree Zones, especially if #1 is successful. There is no shortage of wind power developers attempting to site facilities in Maine.
3. Siting of transmission lines to areas suited for wind power is part of a much larger and very complicated set of energy issues at the PUC (Maine's regulatory structure for electricity, for instance). I don't think providing incentives will help sort these issues out.

Section VI:

1. In connection with the PUC's study regarding alternatives to the status quo regulatory structure for electricity in Maine, the Legislature should adopt an alternative that encourages the development of wind and other renewable energy resources and reduces Maine's dependence on natural gas as soon as possible.
2. The Legislature should establish and fund a permanent Office of Energy Independence and Security. That office should be designated as the lead agency for tracking wind power generation in Maine, monitoring technological advances in wind power generation, and providing educational materials regarding wind power.
3. Maine should adopt a goal of at least 3000 MW of installed wind power by 2015.