Public Comments

Public Comments

Banyan Infrastructure Corporation, in partnership with the Maine Department of Energy Resources, hosted a public comment webinar on Monday, July 28, 2025 to present key findings and gather public input to inform the Clean Energy Financing Study. Public comments were accepted during the webinar and by email until August 8, 2025, and twelve comments were submitted. Comments are attached beginning on the next page.

From: Aroostook Climate Group
To: Obomsawin, Tagwongo
Subject: Financing Study
Date: Friday, August 8, 2025 6:56:57 AM

Dear Ms. Obomsawin,

I hope you are well! I'm Rob Kipp, and I'm writing on behalf of the Aroostook Climate Group. We're volunteers who have been gathering for the past few years to discuss climate change and its implications for The County; we have chapters in Houlton and in Presque Isle (where I live).

At our last meeting, we discussed the Maine Governor's Energy Office Financing Study, and I am sharing our **feedback below**.

Thanks so much to your office for creating this report and seeking public comment, and we look forward to watching for future developments!

All the best,
-Rob Kipp
On behalf of the Aroostook Climate Group, Central Chapter

Financing Study Feedback:

1. Please Clarify Clean Energy vs Renewable Energy

- On page 8, the report switches from discussing 100% clean energy goal to the state's current *renewable* energy generation, which includes biomass: "Maine is a leader in clean energy transition policy, with targets to achieve 80% clean electricity by 2030 and 100% clean electricity by 2040. As of 2023, approximately **70% of Maine's total instate electricity generation came from renewable sources**."
- Page 27 then seems to fully conflate them: "Maine's target of 100% clean electricity by 2040 represents a strong mechanism to drive further development in the state in order to bridge the gap between **70% of in-state electricity generation from clean sources**."

2. We Support Model Ordinances/Etc.

- We appreciated that Solutions 1 and 4 suggested packaging model ordinances/etc. to help communities update their siting, permitting, and taxation in line with best practices and the 2040 goal. Communities with limited resources, like those in Aroostook, may struggle to research and establish such standards on their own, so the state's providing models makes excellent sense.
- We do think more detail should be provided under Solution 2 however, specifically regarding how the educational materials could be disseminated.

3. Concerned By Price Adjustment Clauses

- While we acknowledge that the report itself calls the allowance of price adjustment clauses in PPAs, floated under Solution 5, a "double-edged sword," we want to affirm our concern that such clauses threaten to shift more of the risk onto ratepayers, i.e. the most passive stakeholders in the energy equation. We ratepayers have no choice but to buy from our local monopoly (Versant, in our case). If Maine had a public utility, rather than investor-owned companies, ratepayers would have some avenue of advocacy through which to participate in price negotiations; since we do not, we have no such recourse. We urge you to not allow these clauses.

4. Digitization Pros and Cons

- We support Solution 3's suggestion to evaluate the "development of a platform similar to other states that details the permitting processes and needed paperwork for all types of energy generation, storage, and transmission projects in a transparent way on a state-owned website." Excellent idea. Transparency and accessibility are crucial for all stakeholders.
- We were concerned, however, by the possibility floated under Solutions 3 and 5 of employing artificial intelligence in the state's permitting systems and/or price adjustment clause calculations. First, we do not believe that this unproven technology should be employed in such sensitive systems. Second, the extreme energy demands associated with AI would function at cross purposes with meeting the state's climate goals.

General questions:

- Especially because Maine is a net importer of energy (according to the summary of your July 28 meeting), shouldn't our 2040 goal also apply to the energy *consumed* in the state's being 100% clean?
- Is there any greater leverage Maine can exert over its utilities to speed this transition? It seems that much of our legally mandated 2040 goal has to be mapped around the business motives of CMP and Versant, which currently present real obstacles of time and expense.
- What would it take for programs like FAME, MTI, etc. to offer loans of more than $1 million, in order to help fund utility-scale projects?

Typos (just since we noticed them :)

- Page 35: “incentivize **[and]** effect projects”
  Page 40: “process **if [of]** interstate permitting"

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Center for
Public Enterprise

August 8, 2025

To
Maine Governor's Energy Office

From
Chirag Lala, Director of Energy
Center for Public Enterprise

To whom it may concern,

I am writing to provide comments on the *Maine Clean Energy Financing Study Draft Report* (referred to hereafter as the "Financing Study") prepared for the Maine Governor's Energy Office (GEO) by Banyan Infrastructure. I am writing on behalf of Center for Public Enterprise, an organization that supports the design and implementation of public financing programs in the housing and energy sectors.

Our energy program works directly with state and local entities, including green banks, state energy offices, municipal finance authorities, and other nonprofits in this space. We offer services including financial modeling, development assistance, program evaluation and implementation assistance, as well as research and advising services for agencies looking to accelerate private and public investment in clean energy. We also produce public-facing research on clean energy finance and program design strategies, (see the list at the end of this letter). As such, we take a keen interest whenever an office like yours is investigating the advancement of its financing capabilities.

In the subsequent sections of this letter, I flag the recommendations in the report which we support and offer some additional feedback for your consideration. I would also request that our offices meet to discuss GEO's work on energy finance in more detail.

Support for the Financing Study's recommendations

The Center for Public Enterprise would like to endorse the following recommendations in the Financing Study:

1. Operationalizing state revenue bond authorities for large-scale energy projects.
2. Expanding state-level capital solutions through empowering a specific Maine entity to focus on large-scale energy projects.
3. Continuing to monitor and, if possible, utilize federal energy financing programs.
4. Establishing a Large Clean Energy Project Finance Working Group.
5. Initiate discovery of large-scale project opportunities with unique risk profiles, particularly using RFIs and RFPs.

CPE has both undertaken research and contracted activities on each of these five steps in other states, and we enthusiastically endorse an effort to create a policy framework for state finance to facilitate and empower large-scale energy project development in Maine. In particular, we believe such efforts are most successful when

they holistically address the financing gaps facing project development within a larger process to build project pipelines. As such, we also welcome the report's emphasis on various risks encountered through the development process: construction, project development, operation, and pricing/offtake risks. We also welcome the focus on workforce development and the role market tools such as power purchase agreements can play in stabilizing investment demand. **We believe that an entity charged with cultivation of a clean energy policy framework should coordinate between state agencies, business, and other state stakeholders to ensure that financing measures can either overcome specific capital gaps and, where possible, remove or mitigate other development risks.**

We also wish to flag two action items in the report that we could be of particular assistance with:

1. Expand GEO's capacity for discovering large-scale clean energy project market needs.
2. Increasing coordination with Other State Energy Offices on workforce gaps

We work under contract with the Colorado Energy Office on the first goal (their contact information is below), including on an RFI process they conducted, and we would be eager to find possibilities for collaboration with GEO's as well. In addition, we are leading a project to coordinate Western state energy offices, among other stakeholders, on identifying and tackling development and financing challenges in the geothermal energy sector.

Additional feedback on the report

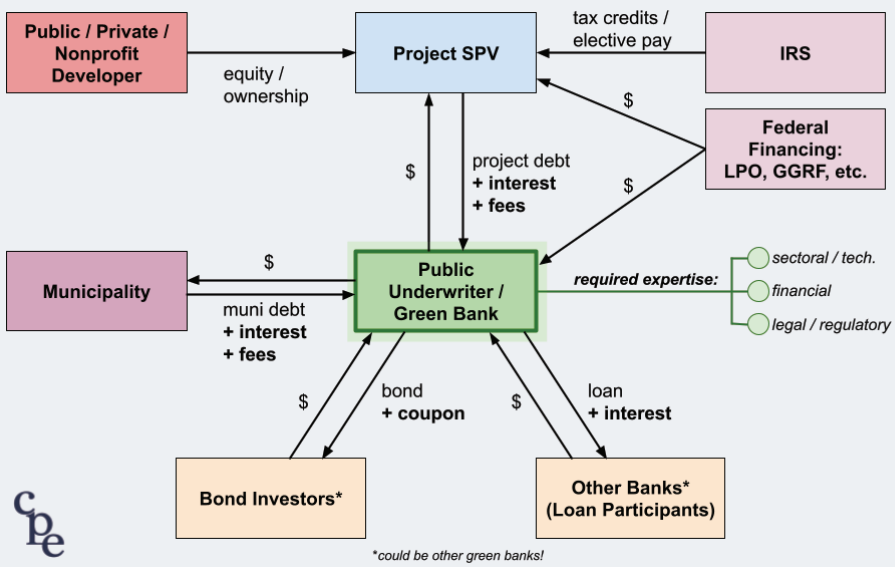
CPE also proposes additional areas for GEO's consideration:

1. We propose that GEO examine the full scope of infrastructure financing tools including loan guarantees, debt products, and equity stakes for itself or another public entity in Maine. We encourage that entity to use equity investment as a tool to actively support early stage infrastructure projects as well as to act as a sponsor investor in projects in order to spur the creation of pipelines to bring to capital markets.
2. We propose that GEO, or another public entity in Maine, should consider establishing the capability to stabilize, purchase, and/or own energy infrastructure projects which it determines to be crucial to the state's energy goals but which, under private development, encounter temporary financing challenges due to unexpected interest rate changes, unavoidable construction delays, or supply issues. This state-level entity should have the ability to recapitalize these projects via direct equity and debt investment.
3. We propose that GEO, or another public entity in Maine, prioritize hiring a workforce of underwriters and other financial experts to staff any large-scale public financing effort at the state level. We recommend that such effort be

empowered to use a comprehensive set of financing capacities in pursuit of identified objectives and that it be empowered to undertake key transactions itself.

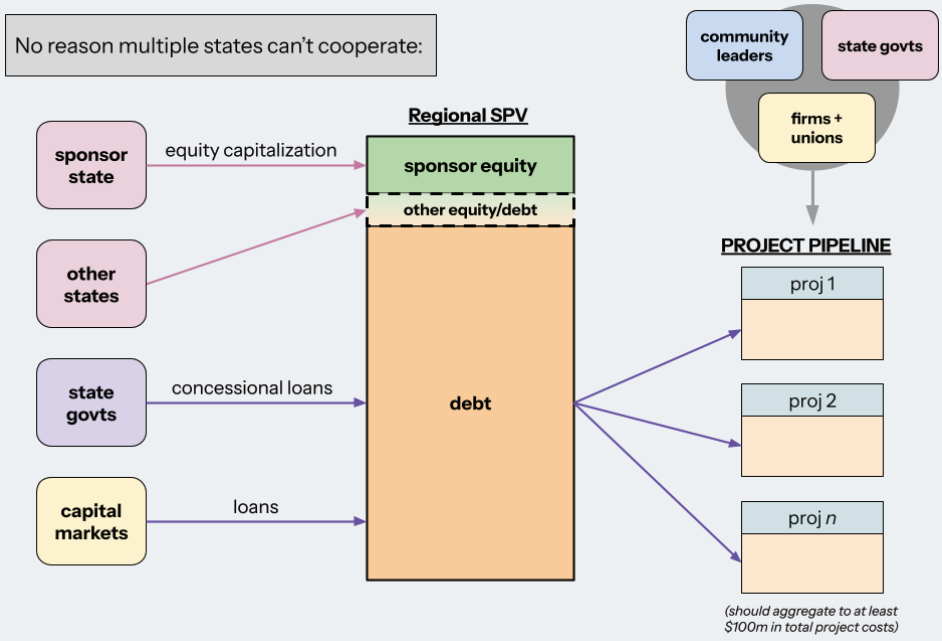
4. We propose that GEO, or some other public entity in Maine, consider how these financing efforts can pair with upcoming efforts in the state legislature and among localities to explore public development or co-development with private partners - for example through public ownership of generation, storage, or transmission and distribution assets. Public finance tools in other states are already aiding state ownership of key projects or the more efficient utilization of existing state or municipal assets such as rooftops on schools or other civic buildings. Efforts in other states are also considering outright ownership or significant stakes on large scale projects like transmission. We expect similar such discussions in Maine within the year and for opportunities to result for large scale energy projects.
5. We propose that GEO, or some other public entity in Maine, link up the public finance effort to a "one stop shop" or "hub and spoke" entity that can facilitate permitting, regulatory approvals, interconnection, and / other vital tasks for large clean energy projects. This would provide projects and their investors with additional certainty, thereby rebounding onto financing.
6. We propose that GEO, or another public entity in Maine, run a public RFI process soliciting information on the needs of large-scale clean energy projects in Maine from developers, municipalities, large institutions like hospitals or universities, and other interested stakeholders. This RFI process should be connected to a planned public finance process through GEO or some other public entity in Maine.

We believe these actions, paired with the recommendations we discussed above, could pave the way for GEO or other public agencies to play a coordinating role that addresses a myriad of development risks and obstacles. Finance is vital to take advantage of other market or regulatory or permitting reforms because it directly lowers costs, particularly on capital-intensive projects. In doing so, it makes project development more affordable for end-use consumers or other downstream purchasers. It also ensures that more projects can be considered and to allow the state to best economize on costs as well as to better regulate and choose between suppliers. A hypothetical framework wherein a public finance vehicle plays a hub-and-spoke role between key stakeholders, including interested municipalities, to leverage sufficient financing is displayed below.



The framework above can also include other Maine institutions such as the Finance Authority of Maine, Efficiency Maine Trust (which recently secured authority to pilot equity and debt stakes via LD 1700).

The second illustration below depicts how public finance can be integrated into the capital stack of a large development effort through a conscious mix of public financing options (debt and equity) and the leveraging of capital markets via an SPV structure. This can be done at the regional level for the largest projects (as shown below) or within a state or municipality. When paired with a concerted RFI process (described above) to ascertain project financing needs, this would allow a state government playing a coordinating role to create a "project pipeline" to move projects meeting certain criteria towards financing most appropriate to their needs. The focus on targeting financing to where public money can have the largest effect (i.e. by addressing critical financing gaps) will also ensure public dollars are spent most effectively to get development across the finish line. **Center for Public Enterprise would be eager to discuss with GEO how this model could be adapted to the Maine context. We emphasize that structuring a proper role for public finance institutions in Maine is vital to take the strongest advantage of effective public finance tools.**



Proposed next steps

We would be eager to connect with your staff about your work on energy financing, the information we have supplied in this comment letter, and next steps you envision from this study. We are particularly eager to collaborate with your office in some fashion if there is interest or if you feel we can be helpful on subsequent phases of research, policy design, outreach, or implementation. Please do reach out if you are interested and we would be happy to arrange a call with our energy team.

I have included references to organizations that can speak to our role in assisting them on similar projects. Please let us know if you have any questions.

Sincerely,

Chirag Lala
Director of Energy and Chief Economist
Center for Public Enterprise
chirag.lala@publicenterprise.org
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References:
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Investment Advisor
Minnesota Climate Innovation Finance Authority

Research from CPE on public financing of clean energy

- *Amortizing Public Capital: How to Advance Large-Scale Fixed Capital Projects*. This report contains a financial model and an explanation of capital and deployment barriers faced by large scale energy projects. [Link]
- *Project finance.* Includes basic recommendations for states to overcome private reluctance to undertake investment in key project classes. [Link]
- *Public developers.* Describes a variety of mechanisms whereby public agencies can participate in the non-financial aspects of the development process. [Link]
- *Revolving Loan Funds.* This report contains specific recommendations on conducting revolving loan funds that can rapidly revolve capital for specific portions of the capital stack. It describes "ingredients" that state governments can utilize [Link]
- *Virtual Power Plants: Financing a Distributed Energy Ecosystem.* This paper proposes a financing structure state financing agencies can use to facilitate the integration of distributed energy resources into a virtual power plant. [Link]
- *Special Purpose Vehicles*. This report describes a financing structure using special purpose vehicles which state governments can use to blend and aggregate both federal, state, and municipal sources of financing. It uses the Department of Energy's Loan Program Office financing as an example though the structure is applicable to a variety of different financing sources. [Link]
- *Making the Most of SEFI: A Model RFI.* This brief provides recommendations for the creation of RFIs to seek projects and ascertain financing gaps, particularly for the deployment of the Department of Energy's (currently dormant) State Energy Financing Institution (SEFI) carveout in the Title 17 lending program. It contains model RFI text for agencies to use. [Link] **We are currently in the process of drafting additional model RFI text for more generic financing programs, which we have appended to this letter. Please note this appended draft is likely to be updated before publication.**

Central Maine Power
An Avangrid company

August 8, 2025

Dan Burgess, Director
Maine Governor's Energy Office
62 State House Station
Augusta, ME, 04333

Dear Director Burgess:

Central Maine Power (CMP) appreciates the opportunity to comment on the Maine Clean Energy Financing Study Draft Report. We recognize the thoughtful effort that went into developing the draft report, and the value of the work to further discussions on energy matters in the State. We offer this comment to note that the report's characterization of utilities as a source of interconnection cost uncertainty, at page 26, does not fully reflect the structured and regulated nature of the interconnection process in Maine.

CMP adheres to ISO New England's (ISO-NE) interconnection procedures, including System Impact Studies and Facilities Studies, as outlined in ISO-NE's Open Access Transmission Tariff. Once ISO-NE completes its studies, CMP implements the required infrastructure upgrades in accordance with executed interconnection agreements.

Regarding interconnection costs, CMP operates pursuant to executed interconnection agreements which in some instances allow for cost changes within a specified range due to the uncertain nature of materials supply timing and availability. The 2022 investigation referenced in the draft report (citing to Docket Nos. 2021-00035, 2021-00262, 2021-00270), addressed a specific set of cost issues pertinent to system upgrades known as T-GFOV, an essential system protection needed where power flows were being dramatically changed on CMP's system. The system protection devices at issue in those cases became quickly needed as increased interconnections occurred under the then recently passed solar incentive program of LD 1711, An Act To Promote Solar Energy Projects and Distributed Generation in Maine. For context, at the time, CMP received over 1,200 interconnection applications in only two years following that legislation, a jump from less than 50 for the prior several years. Notably, that case mentions that even in the face of increasing costs due to system protection devices needed to maintain safe and reliable service, CMP worked to do everything feasible to manage and even reduce the costs associated with the devices in question. Ultimately, that case ended in an agreed to a Stipulation to address the concerns that were raised.

We encourage the final report to clarify the distinct roles of ISO-NE and transmission owners like CMP in the interconnection process, to acknowledge the diligent and continued work to safely and reliably interconnect distributed generation, and to recognize the successful interconnection of over a gigawatt of renewable energy since the industry's rapid expansion just a few years ago.

Sincerely,

/s/ Craig Nale

Craig T. Nale
Sr. Director, Regulatory Affairs

83 Edison Drive / Augusta, ME 04330 / 207 458 3963 / cmpco.com

Conservation
Law Foundation

For a thriving New England

CLF Maine 53 Exchange Street, Suite 200
Portland, ME 04101
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August 8, 2025

Submitted via E-mail: tagwongo.obomsawin@maine.gov

Tagwongo Obomsawin
Clean Energy Partnership Program Manager
Maine Governor's Energy Office
62 State House Station
Augusta, ME 04333

Re: Conservation Law Foundation's Comments on "Maine Clean Energy Financing Study Draft Report July 2025"

Ms. Obomsawin:

The timely and cost-effective development of clean energy resources is central to Maine's ability to meet its economic, climate, affordability and clean energy objectives. The Governor's Energy Office's (GEO) July 2025 draft "Maine Clean Energy Financing Study" is an important step toward achieving that development, and should serve as a guide for legislators, regulators, policymakers and stakeholders on how to reduce costs and other risk and barriers to clean energy development and to advance the clean energy transition in Maine.[1] In Section I, below, Conservation Law Foundation (CLF) highlights the significance of the study's findings, and in Section II, provides suggestions for strengthening the study before it is finalized.

CLF is a public-interest advocacy organization focused on protecting New England's environment and safeguarding the health of our communities. CLF advocates for laws, policies and projects that advance clean energy and reduce energy demand, while saving families and businesses money and creating jobs. CLF works to reduce the region's reliance on fossil fuels and to modernize the region's electricity grid to better serve the needs of our changing society. CLF regularly participates in the GEO's energy planning processes.

I. The Clean Energy Financing Study reveals the importance of clean energy resources and identifies risks to clean energy development and ways to reduce those risks.

The study explicitly and properly recognizes that to meet its economic, climate and clean energy objectives, Maine must accelerate the deployment of new clean energy infrastructure. It

[1] GEO, "Maine Clean Energy Financing Study Draft Report," July 2025, https://www.maine.gov/energy/sites/maine.gov.energy/files/inline-files/Clean%20Energy%20Financing%20Study_Draft%20Report_Public%20Comment.pdf.

also properly recognizes that this clean energy buildout must be done in a cost-effective manner that ensures affordable electricity and responsibly integrates with host communities. The study provides the first real comprehensive overview of the risks, barriers and obstacles faced by clean energy resource developers in Maine and provides a useful set of recommendations for how to de-risk clean energy resource development, including by reducing project costs and timelines, and by increasing project incentives.

A. The study outlines Maine's clean energy mandates and the clean energy resource development needed to achieve those mandates.

As the study indicates, Maine is statutorily obligated to achieve 80% clean electricity by 2030 and 100% by 2040.[2] These renewable portfolio standard (RPS) requirements have played, and will continue to play, a critical role in spurring clean energy resource development in Maine, including by providing the framework for guiding energy markets, de-risking investments and fostering the growth of large-scale clean energy projects at the lowest possible cost. As discussed below, the study should be revised to include related statutory climate obligations.

The study correctly finds that, to meet its energy and economic development objectives, Maine must accelerate the deployment of clean energy resources and focus on projects that deliver affordable electricity and integrate responsibly with host communities. The study identifies and assesses several methods to accelerate this needed buildout of energy infrastructure in Maine, a critical step if the state is going to increase and accelerate clean energy resource development and satisfy its statutory clean energy and climate obligations.

In developing the study, the GEO and its consultant appropriately refer to the GEO's 2025 Maine Energy Plan and the Maine Climate Council's 2024 Climate Action Plan. Both plans serve as roadmaps for how Maine can and should meet its clean energy and climate obligations in the short-, medium- and long-term, and both focus on protecting Maine's environment and communities. As discussed below, more coordination of energy planning processes is required.

B. The study provides a long-overdue assessment of the risks facing clean energy development, the costs associated with those risks and ways to minimize those risks.

In Section 3, the study examines in detail the risk factors associated with clean energy resource development. Notably, there is a clear and direct link between these risks and their negative financial impacts. For example, as clearly depicted in Table 1, numerous risk factors lead to higher costs and higher risk premiums, all of which affect energy affordability. As a result, if Maine can de-risk clean energy development, the state will reduce or avoid the negative financial impacts of development risk, construction risk, pricing risk and operational risk, and will reap the financial benefits of lower-cost energy resources.

[2] 35-A M.R.S. § 3210, https://legislature.maine.gov/statutes/35-A/title35-Asec3210.html, as amended by P.L. 2025, Ch. 380, § 2, https://www.mainelegislature.org/legis/bills/getPDF.asp?paper=SP0738&item=3&snum=132.

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The objectives and solutions identified in Section 5 of the study provide important support for necessary reforms to the planning, permitting and financing of clean energy projects in Maine. Many of these objectives and solutions have been highlighted before, but not all in one place and not all in the context of advancing the public interest by achieving the state's climate, clean energy and economic development objectives. One issue that has been discussed in other venues in recent years is that of expediting project timelines through, among other things, permitting reform. For instance, Maine's latest Climate Action Plan describes in several sections the importance of siting and permitting reform.[3] Despite these discussions and ambitions, and reforms in nearby states, few meaningful, tangible actions have been taken with respect to siting and permitting reform in Maine.

Importantly, the study identifies several important solutions that can advance the objective of increasing awareness and information at the community level and of expediting project timelines through engagement and analysis. These objectives and solutions demonstrate that clean energy development can and should be accelerated not by eliminating engagement and other steps, but by prioritizing them at the outset. Indeed, as the study indicates, this study "emphasizes the importance of stakeholder engagement, knowledge sharing, and capacity building to expedite processes and project development timelines."[4]

The study proposes several solutions to advance Objective 2, "Expedite Project Timelines through Engagement and Analysis," which should be pursued. In particular, a one-stop-shop for state permitting, a state-developed portal to address process challenges and a study to evaluate permitting and siting should all be pursued. As discussed below, the scope of the proposed permitting study should be expanded to include not just challenges, but also opportunities for streamlining and otherwise improving permitting in Maine and should include recommendations to the Maine Legislature for laws and amendments that would advance those improvements. The study should also involve participation by representatives from all relevant state agencies and from relevant stakeholders.

As the study indicates, price volatility and a lack of transparency around procurement can creates barriers to clean energy development. The study proposes several practical and sensible solutions, including increasing transparency through establishment of a multi-year procurement schedule and enhancement of pre-procurement engagement processes. Adding price flexibility is also an important solution identified in the study, as indicated by price changes to recent large-scale renewable energy resource procurements in other states.

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[3] Maine Climate Council, "Maine Won't Wait," November 2024, https://www.maine.gov/climateplan/sites/maine.gov.climateplan/files/2024-11/MWW_2024_Book_112124.pdf at 80-83, 98-101 ("Improving the predictability of siting, permitting, procurement, and interconnection processes will help to avoid delays and cost increases. Maine's permitting agencies, in collaboration with federal agencies, should continue to reduce barriers to essential clean energy and transmission projects to help the state meet its goals while ensuring meaningful public engagement and protection of natural resources. State regulators and utilities should seek to continually improve and modernize the process for connecting clean energy projects to the grid.")

[4] GEO, Clean Energy Financing Study, at 38.

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C. The study will support state-level action on clean energy renewable development at a critical time.

Time is of the essence with respect to mitigating climate change and its impacts in Maine.[5] This study and the actions that it seeks to support are critical to addressing climate change and meeting Maine's statutory climate and clean energy obligations. The study is also important given the hostility at the federal level to clean energy resource development.

II. The Clean Energy Financing Study should be revised to ensure coordination with other energy planning and to reflect a holistic approach to the factors assessed in the study.

The study can and should be strengthened by ensuring greater coordination with other energy planning in Maine, and through revisions that reflect consideration of Maine's statutory emissions reduction obligations and of Maine's vulnerable populations.

A. The study should call for interaction with other energy planning in Maine, including the Maine Energy Plan, integrated grid planning and climate action planning.

While the study refers to the Maine Energy Plan and the Climate Action Plan, there needs to be explicit interaction between the study and these and other energy planning efforts. Without such coordination, planning in Maine will continue to be siloed, and cost savings will be squandered. At a minimum, the study should be coordinated with the Maine Energy Planning conducted by the GEO, the Integrated Grid Planning (IGP) and Climate Change Protection Planning (CCPP) processes currently underway at the Maine Public Utilities Commission and with the Climate Action Planning (CAP) process at the Maine Climate Council. As part of this coordination, the clean energy financing study should be updated regularly.

B. The study should include the state's emission reduction obligations, more robust consideration of vulnerable communities and more legislative solutions and actions.

Like Maine's renewable portfolio standard, Maine's statutory greenhouse gas emissions reduction mandates must be a foundational element of the study. The study should be revised to include explicit reference to these obligations, which combined with the RPS, drive clean energy development.[6] This study will help Maine accelerate the development of clean energy resources and, as a result, will help the state achieve its climate and clean energy obligations.

The study appropriately discusses the impacts of clean energy resource development on host communities, including ways to assess and mitigate those impacts. But the study should be revised to explicitly consider and evaluate impacts on vulnerable communities, including those

[5] IPCC, "AR6 Synthesis Report, Summary for Policymakers," March 2023, https://www.ipcc.ch/report/ar6/syr/downloads/report/IPCC_AR6_SYR_SPM.pdf, at 23; Maine Climate Impact Dashboard, https://www.maine.gov/future/climate/climate-impact-dashboard.
[6] 38 M.R.S. § 576-A, https://legislature.maine.gov/statutes/38/title38sec576-A.html.

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that have borne disproportionate impacts from energy infrastructure development and/or bear the disproportionate impacts of climate change, as well as those communities that face disproportionately high energy burdens.

C. The study should be revised to include proposals concerning legislative and regulatory reforms that implement the proposed objectives, solutions and actions.

The solutions and actions proposed under Objectives 2 and 3 are important steps toward improving siting and permitting, and thus accelerating clean energy resource development, but the scope of the proposed permitting study should be expanded to include opportunities for streamlining and otherwise improving permitting in Maine and should include recommendations to the Maine Legislature for laws and amendments that would advance those improvements. The study should also involve participation by representatives from all relevant state agencies and from relevant stakeholders. Likewise, the study's proposals for ways to increase project certainty should include recommendations for additions or changes to the existing legislative and regulatory frameworks and should include ways to ensure coordination among agencies that are procuring and permitting energy infrastructure projects. Without recommendations for how to implement the proposals at both the legislative and regulatory levels, the study will have a limited impact on clean energy development.

Respectfully,

Phelps Turner
Senior Attorney and Director of Clean Grid
Conservation Law Foundation

August 8, 2025
Governor's Energy Office
62 State House Station
Augusta, Maine
043333

GEO Commissions Supporting Clean Energy Infrastructure Report – Financing Study

Dear Governor's Energy Office,

On behalf of Dirigo Solar, thank you for the opportunity to provide comments following the Governor's Energy Office's presentation on the Clean Energy Financing Study. By way of background, Dirigo has participated in every state-administered renewable energy RFP since 2015, with mixed success. Over the past decade, we have developed both community and utility-scale projects. Dirigo was founded ten years ago when the Public Utilities Commission awarded us a 20-year contract for 100 megawatts of solar at the historically low price of 3.4 cents per kWh. Those projects have generated millions of dollars in ratepayer savings.

Dirigo has been a strong proponent of competitive, utility-scale procurements as a means of delivering cost-effective clean energy while reducing ratepayer costs and meeting Maine's decarbonization goals. To ensure the success of these procurements, we urge the State to establish clear timelines regarding when solicitations are conducted and contracts awarded.

In addition, we urge the State to publish, on an annual basis, its analysis of long-term wholesale market rates. While we understand concerns that publishing such data might influence bidding behavior, the current process leaves developers guessing at the State's view of the market, often leading to widely varying assumptions about ratepayer savings. A transparent, consistent reference point would improve bid quality, increase competition, and ultimately benefit ratepayers.

Finally, we applaud the Study's recommendation to allow for price adjustments based on unforeseen events. This is an important step toward improving the workability and fairness of the process. We appreciate the Governor's Energy Office's leadership in advancing clean energy policy and welcome continued collaboration to ensure Maine's competitive procurement processes are fair, transparent, and effective in meeting the State's energy and climate goals.

Sincerely,
Bob Cleaves
Co-Founder, Dirigo Solar

From: Charles Simmons
To: Obomsawin, Tagwongo
Subject: "Financing Study"
Date: Thursday, July 31, 2025 11:36:46 AM

Please include nuclear energy in the "clean energy" mix for Maine.

Also consider increased reliance on hydropower from Canada.

Finally, consider increased use of reliable, natural gas driven electrical generating facilities as backbone of Maine's clean energy wish.

Thank you,

Charles Simmons

Sent from my iPhone
Charles Simmons

From: Chris Kramer
To: Obomsawin, Tagwongo
Subject: Financing Study - Public Comment
Date: Tuesday, July 29, 2025 1:17:00 PM

Hi! My only comment would be whether Maine might want to consider creating a green bank type of function to implement some of the recommendations, more on the financial side than the permitting reform side of things. This could be an expansion of the existing role of Efficiency Maine's green bank, incorporating utility-scale, front-of-meter incentives in addition to the smaller-scale building-level projects it currently supports. It could also be done through GEO if that works better, either way. As examples, Maine could look to California's iBank and New York's Green Bank for arms of the state that inceltivize front-of-meter, utility-scale projects. But Maine wouldn't necessarily need to create new institutions like these. The function could be performed within existing architecture, given expanded authority.

I'd be happy to chat a little more with GEO staff about examples in other states that might be helpful for inspiration. Please feel free to reach out using the contact info below.

Chris Kramer
Clean Energy Financing Consultant
(202) 351-9154
ckfinancing.com
CDFI green loan map: ckfinancing.com/cdfigreenloans
Utility green loan map: ckfinancing.com/utilityloanprograms

From: Winne, Melissa, R <mwinne@iso-ne.com>
Sent: Thursday, August 14, 2025 4:42 PM
To: Obomsawin, Tagwongo <Tagwongo.Obomsawin@maine.gov>
Cc: Johnson, Eric, D <ejohnson@iso-ne.com>
Subject: ISO-NE Feedback on Draft Clean Energy Finance Study

Tagwongo –

Thank you for your response, that approach is fine with us. And thanks again for the additional time to provide feedback on the draft study. See below ISO comments intended to provide additional context related to the ISO's interconnection study process and changes in response to FERC Order No. 2023. Please feel free to reach back out if you have any questions or would like to further discuss.

- The move from a "first come, first served" serial study approach to a "first ready, first served" cluster study approach in New England is driven by FERC Order No. 2023. FERC Order No. 2023 reforms are aimed at interconnection process issues across the country (e.g., interconnection queue backlogs and delays).
- The move from a "first come, first served" serial study approach to a "first ready, first served" cluster study approach is currently under implementation, with the first cluster based Interconnection Study being the Transitional Cluster Study beginning this October according to the FERC approved timeline.
- The referenced interconnection process scorecard was an evaluation done under the "first come, first served" serial interconnection process. As written, one may incorrectly conclude from the GEO report that the score was an evaluation done under the "first ready, first served" interconnection process. Further, the draft study noted (page 26) that "*The report also criticized the unique requirement for a high-cost model with the initial application.*" Note that FERC Order No. 2023 introduced significant study/commercial readiness deposits and readiness requirements, to help ensure that projects are viable and reduce speculative applications. In other words, the FERC saw the need to increase financial commitments for Interconnection Requests as a solution to queue backlogs and delays.
- The report states (page 26) "*In addition, the shift to cluster studies has introduced short-term uncertainty, with some of the initial projects under this model experiencing multiple re-studies and delays as utilities, developers, and the ISO adapt to the new*

format." This statement may lead readers to incorrectly conclude that the new cluster study process has experienced multiple re-studies and delays. This is not possible since this cluster study process is currently under implementation. As previously described, the Transitional Cluster Study is the first Interconnection Study under the new cluster study process, and the Transitional Cluster Study will start this October.

- As a point of clarification to the paragraph that begins "*Once interconnection studies are complete…*" on page 26, we suggest an edit to this sentence to say that the interconnection process is administered by the ISO under FERC jurisdiction, rather than the current wording of the process being established by ISO-NE. Additionally, the location of a project's interconnection is the critical factor for determining which interconnection process it is subject to. For example, projects that interconnect to the Administered Transmission System are subject to the ISO Interconnection procedures, regardless of size.
- **In general**: In response to FERC Order 2023, the ISO is implementing significant reforms to the interconnection procedures and agreements to ensure that interconnection customers can interconnect to the transmission system in a reliable, efficient, transparent, timely and fair manner. The reforms are intended to address transmission interconnection queue backlogs, improve certainty, and prevent undue discrimination for new technologies as those resources proliferate. Primary elements of the Order include: implementing a "first-ready, first-served" cluster study process to replace the previous serial "first-come, first-served" process; speeding up interconnection queue processing through improved processes, enforceable deadlines, and increased project withdrawal penalties; and incorporating technological advancements into the interconnection process, including modeling and performance standards for inverter-based resources. More information and related materials are available on the ISO's FERC Order 2023 key projects webpage.

Thank you,
Melissa

Melissa R. Winne
(she, her, hers)
Senior State Policy Advisor | External Affairs
413-540-4686 (office) | 518-369-9995 (mobile)

August 8, 2025

Submitted via E-mail: tagwongo.obomsawin@maine.gov

Tagwongo Obamsawin, Clean Energy Partnership Program Manager
Maine Governor's Energy Office
62 State House Station
Augusta, ME 04333

Re: Maine Climate Action Now Comments on Maine Clean Energy Financing Study Draft Report

Dear Ms. Obamsawin,

Maine Climate Action Now (MCAN) is a coalition of seventeen grassroots organizations from across Maine. These organizations have members that are farmers, immigrants, elders, from small communities, an indigenous community, environmentalists, educators, people of faith, and youth. Our coalition calls for transformative systemic change to meet the challenges of the climate crisis. The coalition, its staff and board are proud to do this work in Maine alongside a supportive state government that acknowledges that Maine must accelerate its deployment of clean energy resources. We support the Governor's goal of 100% clean electricity by 2040 and appreciate this study's focus on steps and solutions to best achieve this goal. We thank you for the opportunity to comment on the draft *Clean Energy Financing Study.*

Given the focus of our work over the past five years I will comment on two of the study's identified objectives: expanding capital ecosystems and increasing awareness and engagement.

Expanding Capital Ecosystems
The study states that current funding limitations exist because maximum check sizes for loans (around $1 million for EMT among other entities) are typically insufficient for large-scale renewable energy projects, which often require multimillion-dollar investments.[1] It also identifies de-risking front-of-the-meter (FTM) energy generation as a key opportunity for Maine.

[1] https://www.maine.gov/energy/sites/maine.gov.energy/files/inline-files/Clean%20Energy%20Financing%20Study_Draft%20Report_Public%20Comment.pdf (p.30)

MCAN believes Maine can drive greater investment in large-scale renewable energy projects and associated transmission infrastructure with the newly directed pilot project for direct investment under the Maine Clean Energy and Sustainability Accelerator housed in Efficiency Maine Trust (EMT).[2] Funds can be used for "qualified projects for renewable energy generation," including "(a) Solar, wind and geothermal projects; (b) Projects using small-scale hydropower that produce 30 megawatts or less of electricity as long as such a project provides 95% or greater efficiency for upstream and downstream passage for diadromous fish species present downstream of the project; (c) Projects using ocean and hydrokinetic power generation; (d) Projects using fuel cells to store energy; and (e) Projects that are biomass generators fueled by wood or wood waste, landfill gas or anaerobic digestion of agricultural products, by-products or wastes", as well as storage, microgrids, and other smart grid tech.[3]

Public Ownership

Taking advantage of our state's Clean Energy and Sustainability Accelerator to promote public equity in large scale renewable energy infrastructure would be a positive step towards a just transition. MCAN was part of a group of community organizations that supported the legislation which established our 'green bank' and the bill that created the pilot project. We wholeheartedly would like to see this opportunity capitalized on to propel us forward in the build out of clean renewable energy generation, transmission and distribution.

We support the study's suggested potential action for the Governor's Energy Office (GEO) to establish a working group to focus on large clean energy projects' risks that may be solved through new finance solutions.[4] This working group could explore existing state-supported project financing mechanisms as listed in the fourth objective to "expand capital and workforce ecosystem" noting "new potential public-sector capital programs [that] would expand availability of resources to energy developers."[5] Public equity or public/private financing of projects, can encourage new practices and new thinking on how Maine secures its energy and how its residents benefit from the build out of electrification to support the state's energy and climate priorities.

Increasing Awareness and Engagement

In the Potential Actions - Technical Assistance section of the report the only mention of community benefits negotiations and considerations appears.[6] For MCAN the deep and long

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[2] (LD 1700) https://legislature.maine.gov/backend/App/services/getDocument.aspx?documentId=115677

[3] https://legislature.maine.gov/statutes/35-A/title35-Asec10129.html (Title 35-A, section 10129, subsection 1, paragraph I, subparagraph (1)" in section 2, paragraph 1)

[4] https://www.maine.gov/energy/sites/maine.gov.energy/files/inline-files/Clean%20Energy%20Financing%20Study_Draft%20Report_Public%20Comment.pdf (p.49)

[5] Ibid. p.35

[6] Ibid. p.41

term relationships and benefits that come through the Community Benefit Agreement (CBA) process have the potential to remove or mitigate the risks which this report highlights. In the Risk Factors Overview examples of early risks in the development phase (siting and permitting) are identified as various concerns and challenges arising from the stakeholder communities.[7] Potentially including Community Benefit Agreement processes in the solutions can meet a community's concerns and preclude challenges. Early engagement with community stakeholders can mitigate risk to the developer. As noted in the report, developers who are unable to successfully move projects through early-stage development may move to a different geography or exit the industry altogether.[8]

Community Benefit Agreements

In Section 5: Objectives & Solutions No. 2. Expedite Project Timelines Through Engagement and Analysis the report states "There is also a need to have more direct support to engage communities with project developers earlier through direct technical and financial assistance (e.g., grant funding to defray the upfront costs of site identification and selection)."[9] This support and engagement could be continued through the CBA process once site identification and selection has been completed. MCAN agrees that state direct technical and financial assistance will support communities which face barriers to long-term engagement.

Again under Objective 1, S1: Support Jurisdictions in Developing Local Regulatory Frameworks (development phase permitting and siting) the Proposed Solution here could be the CBA process which would cover "empower [communities] to engage with energy project developers in an informed manner."[10] For S2: Improve Energy Education and Awareness (siting) and for S4: Connecting Communities and Developers Assistance (permitting) Proposed Solutions suggests to the state "Communities could be engaged specifically in the energy planning and siting process, by providing them with both the technical and financial resources to offset early costs associated with this stage and requests from developers of communities for knowledge and resources. Creating a program that combines direct financial assistance with technical assistance can build off lessons learned from other state and federal programs."[11] Again this could be covered as well by encouraging the CBA process where the developer is directly interacting with the community from an early stage thus potentially creating a flow of trust and knowledge in both directions.

MCAN agrees with the proposal for Grants for Engagement "Develop a solicitation to detail areas of opportunities for communities to partner with developers to participate in engagement programs, potentially in collaboration with Maine Office of Community Affairs."[12] From our experience communities feel that they are not consulted early enough in processes to

[7] Ibid. p.18
[8] Ibid. 21
[9] Ibid. 34
[10] Ibid. 36
[11] Ibid. 41
[12] Ibid.

understand project parameters, have their voices (concerns) heard, and learn of potential benefits. Having the support of the state's offices and agencies to participate in a process with a developer could indicate to a community that their opinions and experiences are valued and being taken into consideration.

Maine Climate Action Now urges GEO to commit to big bold initiatives as we are faced with not only climate change, but climate damage and escalating polycrises. Systemic changes that would come with public ownership or equity stakes in our energy generation, transmission and distribution; along with increased and supported community engagement, can propel our state into the just transition off of fossil fuels that we need.

Sincerely,

Amy Eshoo
Director
Maine Climate Action Now

To: Maine Governor's Energy Office

From: Maine Labor Climate Council

Date: Aug 8, 2025

Subject: Financing Study

The following are the comments of the Maine Labor Climate Council (MLCC) to the Request for Comments on the Clean Energy Financing Study Draft Report issued in July 2025:

Background

The Maine Labor Climate Coalition (MLCC) is a coalition of 20 public and private sector unions committed to fighting the twin crises of climate change and economic inequality. We aim to create good Maine jobs, reduce carbon emissions and economic inequality, and provide a seat at the table for workers and unions in this process. We do so by educating our fellow workers, building alliances, and advocating for policy solutions that put Mainers to work, so that we do not have to choose between a healthy planet and having a good job that can sustain our families and communities.

We appreciate the opportunity to express our feedback and concerns regarding the draft clean energy financing study from the Governor's Energy Office (GEO), which we believe is a great first step in identifying the barriers for clean energy financing, as well as in developing recommendations for policy solutions to address those barriers. We agree with many of the recommendations outlined in the draft report, and aim here to lift up specific policy proposals that we believe should also be recommended as part of the report, or that may warrant additional study from the GEO.

General Observations

The clean energy financing study draft report is helpful in identifying many of the key risks associated with energy infrastructure investment, as well as in understanding potential policy solutions at the state level to overcome barriers that currently exist. We believe that there should also be a focus from the GEO on developing an ambitious set of policy recommendations that could promote the buildout of a clean energy economy for Mainers that saves costs, ensures a healthy environment and creates good local jobs.

Specifically, the report should lift up procurement reforms in line with Massachusetts' Department of Energy Resources' (DOER) recent report and legislative recommendations, study the cost saving potentials of public finance more broadly across clean energy (to include transmission buildout and more), and expedite siting and permitting for projects with strong labor standards and community benefit agreements. In addition, the GEO should more broadly champion labor standards to ensure a pipeline of qualified, well-trained workers, study whether regional and multi-state financing or procurement of equipment could help save costs, and include voices from labor in the large Clean Energy Projects Finance Working Group.

These recommendations are detailed below.

Recommendations:

1. *The GEO Should Recommend Procurement Reform Similar to the Reforms Being Championed by Massachusetts' Department of Energy Resources to Ease Financing of Clean Energy Projects and Save Costs for Mainers.*

In *An Act promoting A clean energy grid, advancing equity and protecting ratepayers*, the Massachusetts state legislature directed their Department of Energy Resources (DOER) to "conduct a review to determine the effectiveness of the commonwealth's existing solicitations and procurements required by sections 83 to 83E, inclusive, of chapter 169 of the acts of 2008 and . . . make recommendations regarding the future procurement of clean energy resources for the purposes of ensuring compliance with statewide greenhouse gas emissions limits and sublimits under chapter 21N of the General Laws."[1]

In June 2025, the Massachusetts DOER issued their "Solicitation and Procurement Effectiveness Report," wherein they reviewed their existing procurement practices and ultimately recommended a new framework for energy solicitations as a way to save costs for residents of Massachusetts while meeting their clean energy goals.[2] This report includes a wide range of recommendations from their DOER's findings that would effectively ease financing for clean energy projects and save costs.

One of the main recommendations contained in the report is for the state to move to a proposed centralized procurement framework within the Massachusetts DOER with increased flexibility to respond to changes in energy markets, promote clean energy development and meet greenhouse gas emission reduction requirements.[3] In addition to allowing more flexibility, this proposed framework would maintain their current practice of engaging open and competitive requirements with long term contracts, but with some significant changes. Key to this proposed framework is the creation of Resource Solicitation Plans for the state, shifting contracting responsibility to their state energy agency, and adopting a framework for energy solicitations where the state procures environmental attributes with indexed renewable energy certificates (RECs) under long-term contracts.

Although the procurement framework codified by LD 1270 for the future Maine Department of Energy Resources bares some similarities, the deeper and more direct state involvement in the procurement process contemplated in Massachusetts – specifically the direct procurement of RECs – goes beyond existing Maine statute. Under the Massachusetts DOER framework, after directly procuring RECs through a long-term contract, the state would either retire RECs or sell them to the state's electric distribution companies for them to meet their Renewable Portfolio Standard requirements. The findings from Massachusetts show that these changes would significantly save costs for clean energy projects and residents of Massachusetts by shifting costs into delivery, decreasing utilities' REC compliance costs and supply costs for RECs, and – most notably – by reducing risks on developers from market volatility or

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[1] Massachusetts General Court. (2024). *An Act promoting a clean energy grid, advancing equity and protecting ratepayers* (Mass. S.2967). https://malegislature.gov/Bills/193/S2967.

[2] *See* Massachusetts Solicitation and Procurement Effectiveness Report, Massachusetts Department of Energy Resources with Levitan and Associates, June 16, 2025. Available online at: https://www.mass.gov/doc/doer-solicitation-and-procurement-effectiveness-report/download.

[3] *See id* at 81.

financing for specific clean energy technologies through the state's service as a stable offtaker with a strong credit rating. In addition to saving costs, the DOER found that this streamlined procurement framework would be more effective for meeting the state's greenhouse gas reduction goals. We believe that similar changes, such as making the state a direct party to the long-term contract for indexed environmental attributes, may be warranted in Maine as well. We urge the GEO to study and recommend a centralized procurement framework with competitive solicitations of environmental attributes utilizing indexed RECs with the state as a contracting party – in line with what Massachusetts' DOER recommends – as a way to facilitate clean energy financing and save costs.

2. *The GEO Should Study How Public Finance Can Benefit Clean Energy Financing and Energy Costs More Broadly.*

We appreciate the portions of the draft report that discuss the benefits of public financing for clean energy, and agree with the proposed solution of operationalizing state revenue bond authority for large-scale energy projects. We think, however, that the agency could and should go broader across the board with studying how public finance might be helpful for unlocking clean energy in Maine. In particular, the agency should study whether public financing for transmission, as well as large-scale generation projects, might help save costs for their development.

We would point the GEO to a recent study by the Clean Air Task Force (CATF) that found that public finance for transmission projects through public bonds could help save costs on project buildout in the state of California by as much as 57% over 20 years – an enormous cost saving by any metric.[4] The main driver of these cost savings found in the CATF study stems from the ability of low-cost public debt to replace equity in the capital structure, and the reduction of the costs of taxes stemming from publicly financed buildout. We urge the GEO to study whether similar cost savings from public finance could be found in Maine and for a broader array of projects, which may include benefits to financing and cost savings for large clean energy generation projects as well as the transmission projects studied in the CATF report.

3. *The GEO Should Recommend Siting and Permitting Reforms that Expedite Siting and Permitting for Projects that Agree to Utilize Strong Labor Standards, and Community Benefit Agreements, and Generally Champion Strong Labor Standards to Promote Workforce Developement*

The GEO draft report found that project siting and interconnection constitute the biggest "uncontrollable risks" in the lifecycle of a project, and thus constitute some of the most significant risks to clean energy projects in Maine. In addition, the draft report found that workforce availability was a particular challenge in Maine – stemming from demographic trends that include increased retirements among skilled tradespeople.

We agree with many of the recommendations in the report aimed at streamlining siting and permitting and developing a durable clean energy workforce in Maine. The best way, however, to address both of these

[4] *See* Clean Air Task Force, and Net-Zero California, *Wired for Savings: Evaluating the Impact of Alternative Transmission Financing and Development Models on California Ratepayers*. October 31, 2024. Available online at: https://cdn.catf.us/wp-content/uploads/2024/10/31145139/wired-for-savings.pdf.

concerns is to expedite siting and permitting for projects that agree to utilize strong labor standards – such as has recently been done by state legislatures in Illinois and Michigan.[5] The GEO should study whether similar reforms to those done in Michigan and Illinois could save costs for Mainers by mitigating two of the top risk factors for clean energy projects identified in the GEO report.

Moreover, ensuring that clean energy jobs are good jobs with family-sustaining wages and benefits is by far the most effective way to strengthen the local labor pipeline. The reality is that apprenticeship programs in Maine often have a waitlist of workers ready to take on jobs in the clean energy industry – and so the GEO championing strong labor standards will be an effective tool for the availability of a well-trained workforce to work on clean energy projects.[6] By creating a steady pipeline of good jobs for workers in registered apprenticeship programs, Maine can ensure that a well-trained local workforce is available, and by expediting siting and permitting from such projects we can incentivize their use while mitigating a significant early project risk.

Community Benefit Agreements and Community Workforce Agreements are two common tools, among others, that can be used to ensure strong labor and workforce development standards as well as investments in and non-financial commitments made to communities impacted by a clean energy project. These agreements have a long history of bringing community concerns and needs into project planning early in the process; by making community concerns not only visible but actually addressing them through a negotiated and enforceable contract, such agreements can help avoid protracted litigation that regularly slows down projects and increases overall risk. To be effective, be perceived as legitimate, and achieve a holistic set of job quality and community aims, it is critical that negotiations of such agreements include labor and recognized community representation.

Aside from siting and permitting, however, the GEO should champion strong labor standards broadly throughout its recommendations to promote workforce development – such as by recommending requirements for prevailing wage and benefits, registered apprenticeship utilization, labor harmony and project labor agreement wherever legally permissible. The application of strong labor requirements to the clean energy industry on a broad scale would ensure a well-trained workforce is available to build these important projects while also ensuring the clean energy development serves the public interest.

4. The GEO Should Study Whether Multi-state and Regional Procurement and Financing Could Help Save Mainers Costs and Facilitate Clean Energy Financing.

Recently Maine and other neighboring states in New England have promoted the idea of a purchasing pool for transmission equipment as part of a Strategic Action Plan on State-Led Interregional

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[5] *See* Michigan Legislature. (2023, November 28). Public Act 233 of 2023: *An act to amend 2008 PA 295… and to add part 8* [Legislative Act]. State of Michigan. Retrieved from https://www.legislature.mi.gov/documents/2023-2024/publicact/htm/2023-PA-0233.htm (effective November 29, 2024).

[6] Pre-apprenticeship programs that funnel into apprenticeship programs consistently have a waitlist 5 times the number of available spots.

Transmission Priorities.[7] The Strategic Action Plan calls for the establishment of a centralized mechanism for coordinated bulk orders of equipment – specifically HVDC equipment for transmission. Although focused on transmission equipment, the plan outlines how acting regionally or collaboratively with multiple states could help to enable grid operators procure equipment in advance of specific identified needs, provide more competitive timing, improve delivery timing and mitigate risk to help establish a stronger supply chain. Ultimately this helps save costs for all the state members. For Maine, a small state in terms of energy demand encompassing only 9% of the ISO-NE demand pool, the savings that come from working collaboratively within the region and with other states are likely even more significant.

We urge the GEO to study whether similar multi-state and regional actions such as procurements – applied to a broader array of clean energy projects, might help to save costs by utilizing the benefits of economies of scale and their aggregated purchasing power. In addition, the GEO should study whether regional and multi-state practices that aggregate purchasing power for financing purposes outside of direct equipment procurement could help save costs by making financing less costly for Maine, such as the establishment of regional or multi-state clean energy financing institutions.

5. *The Clean Energy Project Finance Working Group Should Include Labor*

The report recommends the establishment of a large clean energy project finance working group that would be tasked with considering the appropriateness and efficiency of capital alignment with public interest, assessing project risks, financing solutions and promoting capital solutions for large clean energy projects. We urge that – should the GEO establish such a working group – they include representatives of labor organizations to provide their valuable perspective as well.

Thank you for your consideration,

Francis Eanes

Executive Director

Maine Labor Climate Council

[7] *See* Joe DeLosa III, Johannes Pfeifenberger, and Kailin Graham, *Strategic Action Plan on Interregional Transmission*, April 28, 2025, prepared for Northeast States Collaborative on Interregional Transmission (The Brattle Group), accessed August 7, 2025. Available online at: https://energyinstitute.jhu.edu/wp-content/uploads/2025/04/Strategic-Action-Plan-Final.pdf.

Maine Renewable Energy Association

Tagwongo Obomsawin
Governor's Energy Office
22 State House Station
Augusta, Maine 04333

August 8, 2025

Re: Maine Clean Energy Financing Study Report Draft

Dear Ms. Obomsawin:

Thank you for the opportunity to submit comments on the draft Maine Clean Energy Financing Study Report on behalf of the Maine Renewable Energy Association (MREA). MREA is a Maine-based non-profit association of renewable energy developers and producers, suppliers of goods and services to those developers and producers, and other supporters of the industry. Our member companies include developers, owners, and those that build, maintain, and invest in utility-scale renewable energy projects that exceed $5 million - the key opportunity identified in and the primary subject matter of the draft report.

MREA applauds the Governor's Energy Office (GEO) and Banyan Infrastructure for this worthy effort and strong product. MREA agrees that utility-scale projects are a key opportunity for Maine to achieve its clean energy and greenhouse gas emission reduction mandates. We also agree and encourage the state, through GEO and the forthcoming Department of Energy Resources (DOER), to prioritize state support to help de-risk these projects and related infrastructure. Later in our comments, MREA identifies the areas where we would like the state to focus their efforts.

In addition to identifying and describing the actions we'd like to see GEO/DOER prioritize, we offer the recommendation that the report include an addendum that specifically addresses the federal budget reconciliation bill and the passage of the Maine Legislature's LD 1777. Both have significant repercussions regarding the typical clean energy project finance capital stack and risk premiums. We recommend that that addendum be informed by follow-up interviews with a limited universe of interviewees, prioritizing those in the investment space. MREA feels strongly that this information will help advise action stemming from this report.

MREA recommends that GEO/DOER prioritize the following actions and in some instances offers additional commentary on those actions:

- **Enhance property tax best practices.** *See* Page 37. MREA is particularly interested in standardizing property tax calculations, which as the draft report describes, can create

greater clarity for project pricing. Furthermore, as the draft report describes, developing detailed guidance on valuation methodologies would be exceptionally useful. We also recommend that best practices include depreciation schedules. In MREA member experience, there is great variation in methodology and understanding across Maine and we believe that the state could play a useful role in education and policy development. Partnering with expert appraisers and trusted entities like the Maine Municipal Association would bolster this effort.

- **Commission a permitting and siting study.** *See* Page 39. A "study to evaluate permitting for generation, transmission, and storage to have *quantitative data of the timelines and costs* associated with different technologies and projects" (emphasis added) would be exceptionally useful in the development of potential policy changes to de-risk early stage projects and to optimize agency staff time. MREA recommends that the Maine Department of Environmental Protection, Maine Department of Inland Fisheries and Wildlife, and Maine Department of Agriculture, Conservation and Forestry be a part of this study.

- **Enhance the procurement process.** *See* Page 53. Recommendations regarding standard contracts, price adjustment clauses, and reduction of post-selection timelines (among others) are a high priority for MREA and are either consistent with or consistent with the conversation surrounding what is now Public Law 2025, Chapter 476. MREA remains supportive of the forthcoming DOER's role in clean energy procurements, including its ability to adopt many of these recommendations.

- **Establish a large clean energy project finance working group.** *See* Page 48. MREA is very interested in such a group's thinking on public finance opportunities, as well as other innovative capital and finance solutions, given the instability brought by the federal budget reconciliation bill and LD 1777.

Thank you for your consideration of our comments. We welcome the opportunity to discuss them more.

Sincerely,

Eliza Donoghue, Esq.
Executive Director

Natural Resources Council of Maine

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August 8, 2025

Submitted via E-mail: tagwongo.obomsawin@maine.gov

Tagwongo Obamsawin, Clean Energy Partnership Program Manager
Maine Governor's Energy Office
62 State House Station
Augusta, ME 04333

Re: Natural Resources Council of Maine Comments on Maine Clean Energy Financing Study Draft Report

Dear Ms. Obamsawin,

The Natural Resources Council of Maine (NRCM) appreciates the opportunity to comment on the draft clean energy financing study report. NRCM has been working for more than 65 years to protect, restore, and conserve Maine's environment, on behalf of our nearly 24,000 members and supporters. Today, we recognize that we cannot meaningfully do that work without addressing climate change, one of the biggest threats to Maine's woods, waters, wildlife, coasts, and communities, and understand that expeditious deployment of affordable clean energy in Maine is a critical component of doing so.

This draft report is an excellent articulation of the various challenges and risks that clean energy projects in Maine face, and the importance of addressing them as we collectively seek to achieve our state's important climate and clean energy goals. With just a short time between the availability of the draft report and the deadline for comments, our feedback will be relatively brief and focused on the few below topics.

Existing clean energy ordinance resources

Under Objective 1, Solution 1: Support Jurisdictions in Developing Local Regulatory Frameworks, the draft report mentions developing model ordinance language for solar, energy storage, onshore wind, and transmission infrastructure. In 2020, NRCM and Maine Audubon collaborated on a Solar Toolkit, a suite of materials related to solar development, which includes FAQs, Best Practices for solar siting, design, and maintenance, and model site plan regulations and conditional use permits for inclusion in municipal zoning ordinances. While this resource is focused on solar, we hope it can inform the final report,

either in substance, or as an example of collaboration between developers, eNGOs, and municipal representatives of shared tools to facilitate responsible clean energy development. The toolkit can be found here: https://maineaudubon.org/advocacy/renewable-energy/solar/.

Community Benefits Agreements

Under Objective 2, Solution 4: Connecting Communities and Developers Assistance, the draft report discusses engagement and technical assistance for communities. One addition that would strengthen this recommendation is a more explicit discussion of community benefits agreements as a tool to build community understanding and support and reduce risks for projects. There are numerous resources and examples related to community benefits agreements, including Acadia Center's recent report: "The Energy Is About To Shift: Pathways to a Community-Centered, Resilient, and Decarbonized Grid for New England." The draft report actually includes reference to the report in a footnote, but might benefit from including some of the additional ideas included around both the potential benefits of community benefits agreements, but also the importance of establishing a good process, for example: "While community benefit plans and agreements can play a valuable role delivering meaningful benefits and accelerating project deployment, it is important to recognize that the process of negotiating and implementing community benefits programs is as important as the benefits themselves."

Robust objectives and scope

On page 24, the draft report states that State funding should be limited in its scope as part of framing the section on objectives and solutions. It is vital, especially given the current federal policy environment, as well as Maine's recent experiences with escalating climate-related extreme weather impacts, that we align our proposed solutions with what is needed. The stated purposes of "lowering overall costs of delivered energy, and [providing] ratepayers and taxpayers with affordable energy that benefits communities" are inarguably important, but may not be sufficient to also achieve the bigger-picture objectives of achieving Maine's statutory climate and clean energy obligations, including the greenhouse gas reduction targets laid out in MRSA Title 38, section 576-A, and the clean and renewable energy targets laid out in MRSA Title 35-A section 3210. We would suggest expanding this language to instead envision a more robust role for the state, encompassing the importance of state funding in achieving Maine's statutory targets, as well as maximizing public benefits, not merely lowering costs.

Post-selection Timelines

Under Objective 3, Solution 5: Enhance RFP Process, the draft helpfully identifies improved post-selection contract timelines as being an opportunity for improvement in reducing risk and cost for clean energy projects in Maine. This section may benefit from some examples of past experiences in Maine where lengthy post-selection contract negotiations resulted in projects being paused or cancelled. First, the Aroostook Renewable Gateway transmission project and King Pine wind project were first selected in fall of 2022. The projects' contracts were cancelled after extensive contract negotiation delays in late December 2023. Second, the Maine PUC docket for contract negotiations for Maine's offshore wind research array opened in April 2022, and negotiations for that project were paused indefinitely nearly three years later in March 2025. Both projects may have benefited from speedier post-award negotiations.

Public ownership

Under Objective 4, Solution 6: Promote Capital Solutions for Large Clean Energy Projects with Non-Traditional Risk Profiles, the draft highlights the potential of public financing through revenue bonds. The draft could go further in discussing the potential benefits in project economics and risk reduction through public ownership stakes in large clean energy projects. Public ownership can build public support for clean energy by providing a sense of ownership and stake in the success of clean energy broadly as an enterprise, as well as tangible benefits in the form of reinvestment of returns in Maine or ratepayer or taxpayer savings.

Overall, this is a thoughtful report and a substantial contribution to the public dialogue and policy debate around clean energy financing and risk reduction in support of meeting Maine's clean energy goals and effectively addressing climate change, and we appreciate the work of the consultants and the Governor's Energy Office that went into it.

Thank you for the opportunity to comment on this important topic.

Respectfully,

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