Distributed Generation Stakeholder Group

Governor's Energy Office

November 4, 2021

Agenda

Time	Agenda item
1:00 – 1:05	Welcome and meeting logistics
1:05 – 1:45	Review of discussions to date and draft areas of consensus for interim report
1:45 – 2:15	Potential Framework for Successor Program – Jeremy Payne and Kaitlin Kelly O'Neill
2:15 – 2:30	Public Comment/Break
2:30 – 3:00	Perspective from AARP – Barbara Alexander
3:00	Next steps and adjourn

Timeline

- Meeting today, Nov. 4
  - Review of progress to date
- Nov. 12
  - Report outline based on today's discussion circulated
- Meeting Nov. 18
  - Discuss outline, progress on individual sections
- Nov. 24
  - All draft report sections to GEO
- Meeting Dec. 12
  - Review compiled draft
- Meeting Dec. 16
  - Review final draft
- January 1 – interim report due

Stakeholder group objectives

- Advise and support the development of a cost-effective successor program to foster the continued development of distributed generation in Maine following the conclusion of the net energy billing program in 2023;

- Advise on the evaluation of the net energy billing program, with a focus on applying lessons learned to inform the contributions of its successor program toward state policy objectives;

- Identify necessary resources to achieve the preceding objectives as needed.

Stakeholder group goals

- The primary goal of the stakeholder group will be to advise and assist the GEO in developing the two reports required to achieve the group's objectives with input from stakeholders and the public.

- The interim report will be delivered to the Legislature in January 2022, and the final report in January 2023.

Interim report scope

1. Discussion of the **optimal framework for the successor distributed generation program**, including consideration of best practices from other jurisdictions where applicable;
2. Identification and **discussion of a target amount** of distributed generation for the successor program sufficient to serve 7% of statewide electric load;
3. Discussion of how the design of the **successor program** should consider:
    1. Encouraging the deployment of energy storage;
    2. Identifying mechanisms that prioritize distributed generation that are sited to:
        1. Limit impacts by being located on previously developed or impacted land, such as impervious surfaces, reclaimed gravel pits, capped landfills or brownfield sites, or located within municipally-designated preferred development zones;
        2. Serve load within a low-income to moderate-income community;
        3. Directly serve customer load;
        4. Optimize grid performance or serve a nonwires alternative function.

Interim report scope – continued

4. Discussion of how to support the successful development of distributed generation by **small companies based in the State**.

5. Discussion of a holistic **grid planning** process that allows for input from stakeholders and provides key actors with the ability to make strategic system operations, planning and investment decisions;

6. Identification of **resources** necessary to fulfill the group's objectives by January 2023.

Progress to date – I

1. *Discussion of the **optimal framework for the successor distributed generation program**, including consideration of best practices from other jurisdictions where applicable.*

- Focus on maximizing value and controlling cost, recognizing scale and complexity matter
- Allocation of benefits and costs matter, and can be addressed multiple ways, including off-take, compensation, and ownership
- Increasing access, equitable distribution of impacts, and attention to participation by underserved groups must be considered
- Flexibility to respond effectively to changes in markets, industry, and other factors

Progress to date – 2

2. *Identification and **discussion of a target amount** of distributed generation for the successor program sufficient to serve 7% of statewide electric load.*

- Example calculation indicated about 158 MW per year
- Not outside the bounds of the group's expectations, but prescriptive and limited in flexibility
- Additional analysis in the context of broader planning would allow optimization of distributed generation relative to other considerations

Progress to date – 3

3. *Discussion of how the design of the **successor program** should consider:*
    1. *Encouraging the deployment of energy storage;*
    2. *Identifying mechanisms that prioritize distributed generation that are sited to:*
        1. *Limit impacts by being located on previously developed or impacted land, such as impervious surfaces, reclaimed gravel pits, capped landfills or brownfield sites, or located within municipally-designated preferred development zones;*
        2. *Serve load within a low-income to moderate-income community;*
        3. *Directly serve customer load;*
        4. *Optimize grid performance or serve a nonwires alternative function.*

- Front of/behind meter distinction warrants focus
- Balance program complexity with cost, ease of participation
- Better data, transparency needed for grid performance, reduced costs, planning
- Equitable participation/distribution of benefits part of program design

Progress to date – 4

4. *Discussion of how to support the successful development of distributed generation by **small companies based in the State**.*

- Predictability and simplicity of program design

Progress to date – 5

5. *Discussion of a holistic **grid planning** process that allows for input from stakeholders and provides key actors with the ability to make strategic system operations, planning and investment decisions.*

Progress to date – 6

6. *Identification of **resources** necessary to fulfill the group's objectives by January 2023.*

- Broader stakeholder engagement on key program elements
- Holistic planning
- Additional analysis directed by P.L. 2021 ch. 390