Distributed Generation Stakeholder Group

Governor's Energy Office

September 30, 2021

Agenda

- Welcome and logistics
- Introductions
- Overview of state policy objectives and existing distributed generation program
- Overview and discussion of working group objectives, schedule and workplan
- Public comment
- Adjourn – 2:30 p.m.

Welcome

- Today's meeting is scheduled from 1 – 2:30
- Meeting schedule, materials and registration information posted here: www.maine.gov/energy/studies-reports-working-groups/current-studies-working-groups/dg-stakeholder-group
  - Meetings are also noticed on the state's public meeting calendar: www.maine.gov/portal/government/calendar.shtml
- Today's meeting is open to the public, and will include a public comment period
- For technical support or to provide written comments to the group, please contact Ethan Tremblay: ethan.tremblay@maine.gov

Introductions

Maine's Climate and Clean Energy Goals

Dan Burgess

CLIMATE COUNCIL GOALS

12.01.20
Climate Action Plan Delivered

ACHIEVE STATE CARBON NEUTRALITY BY 2045

REDUCE MAINE'S GREENHOUSE GAS EMISSIONS BY TARGETS OUTLINED IN STATE LAW

45%
BELOW 1990 LEVELS BY 2030

80%
BELOW 1990 LEVELS BY 2050

ENSURE MAINE PEOPLE, INDUSTRIES, AND COMMUNITIES ARE RESILIENT TO THE IMPACTS OF CLIMATE CHANGE.

Mills Administration— SIGNIFICANT CLIMATE + CLEAN ENERGY ACTIONS

ESTABLISHED the Maine Climate Council + greenhouse gas reduction targets in law

SIGNED state renewable portfolio standard law requiring 80% renewable energy by 2030 + goal of 100% by 2050

PASSED law to implement 100,000 new heat pumps - including support for low + moderate income Mainers

ESTABLISHED new electric vehicle programs, supported by VW settlements: rebates, charging infrastructure, + public transportation

25

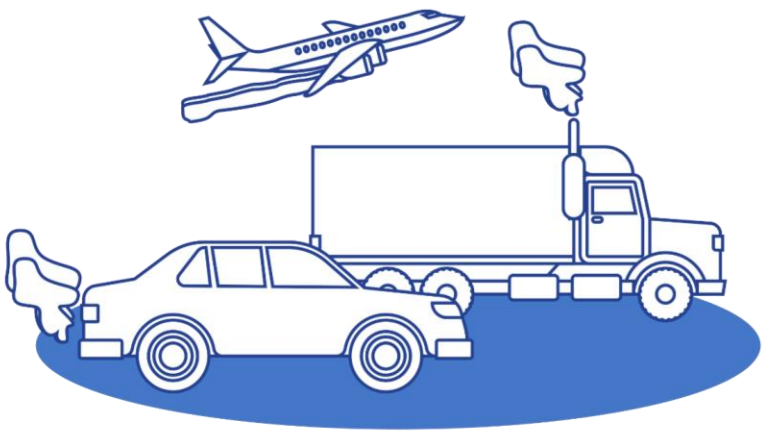
22ND STATE TO JOIN the U.S. Climate Alliance— a bi-partisan coalition of 25 U.S. States committed to meeting Paris Climate Goals

ENDED the state's wind energy moratorium, left an offshore drilling coalition, + actively engaged in regional efforts around carbon reductions, transportation, + offshore wind

PASSED legislation to help launch the first floating off-shore wind turbines in the U.S.

INTRODUCED legislation to limit the use of hydrofluorocarbons ("climate super-pollutants") to fight climate change

Maine Energy Related Greenhouse Gas Emissions in 2017



54%

19%

11%

9%

7%

TRANSPORTATION · RESIDENTIAL · COMMERCIAL · INDUSTRIAL · ELECTRIC POWER

Data source: Maine Department of Environmental Protection 8th Biennial Greenhouse Gas Emissions Report

Maine's 8 Climate Action Strategies

A. Embrace the Future of Transportation in Maine

D. Grow Maine's Clean Energy Economy and Good Jobs

G. Invest in Climate-Ready Infrastructure

B. Modernize Maine's Buildings

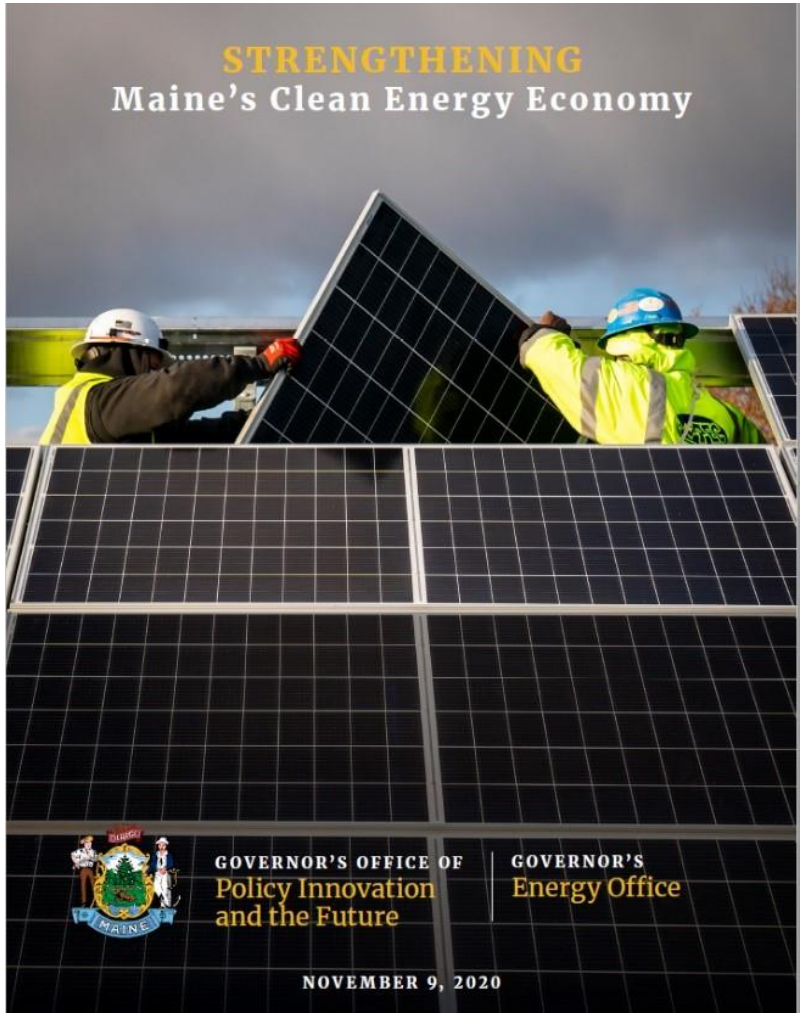
E. Protect Maine's Environment and Working Lands and Waters, Increase Carbon Sequestration

H. Engage People and Communities in Climate Impacts and Program Opportunities

C. Reduce Carbon Emissions the Energy and Industrial Sectors through Clean Energy Innovation

F. Build Healthy and Resilient Communities

Strengthening Maine's Clean Energy Economy



Strengthening Maine's Clean Energy Economy, published in November of 2020, is a detailed analysis of the momentum within Maine's clean energy economy, and how the sector is emerging as a source of economic growth and workforce opportunities

Governor Mills' goal: 30,000 clean energy jobs by 2030

GOVERNOR'S
Energy Office

Renewable Portfolio Standard – Study Key Findings

- **Maine is projected to have sufficient RECs to meet its RPS until 2026**, but new resources will be needed to meet increasing goals thereafter.
  - Scenario analysis indicates a range of ***new builds between 800 and 900 MW by 2030 will be needed.***

- **Transmission will be a key driver** of renewable development (Western & Northern ME).

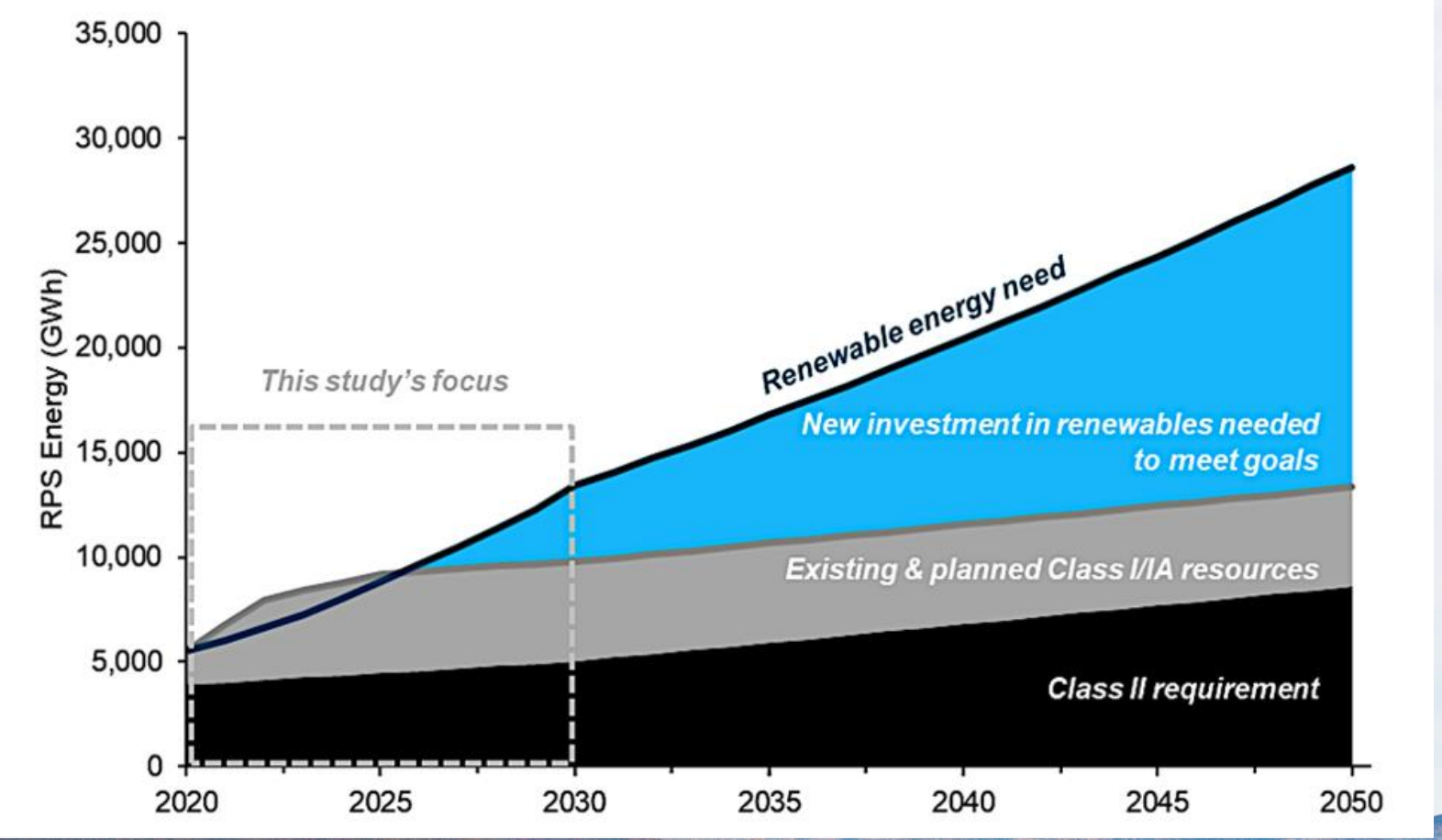
- A technologically **diverse portfolio helps lower risk.**

- **Regional coordination can help lower the costs** of meeting Maine's RPS.

- **Storage** shows synergies with solar resources.

- **Energy equity benefits and challenges:** resource diversity, customer-sited resources, geographic resource distribution, and cost.

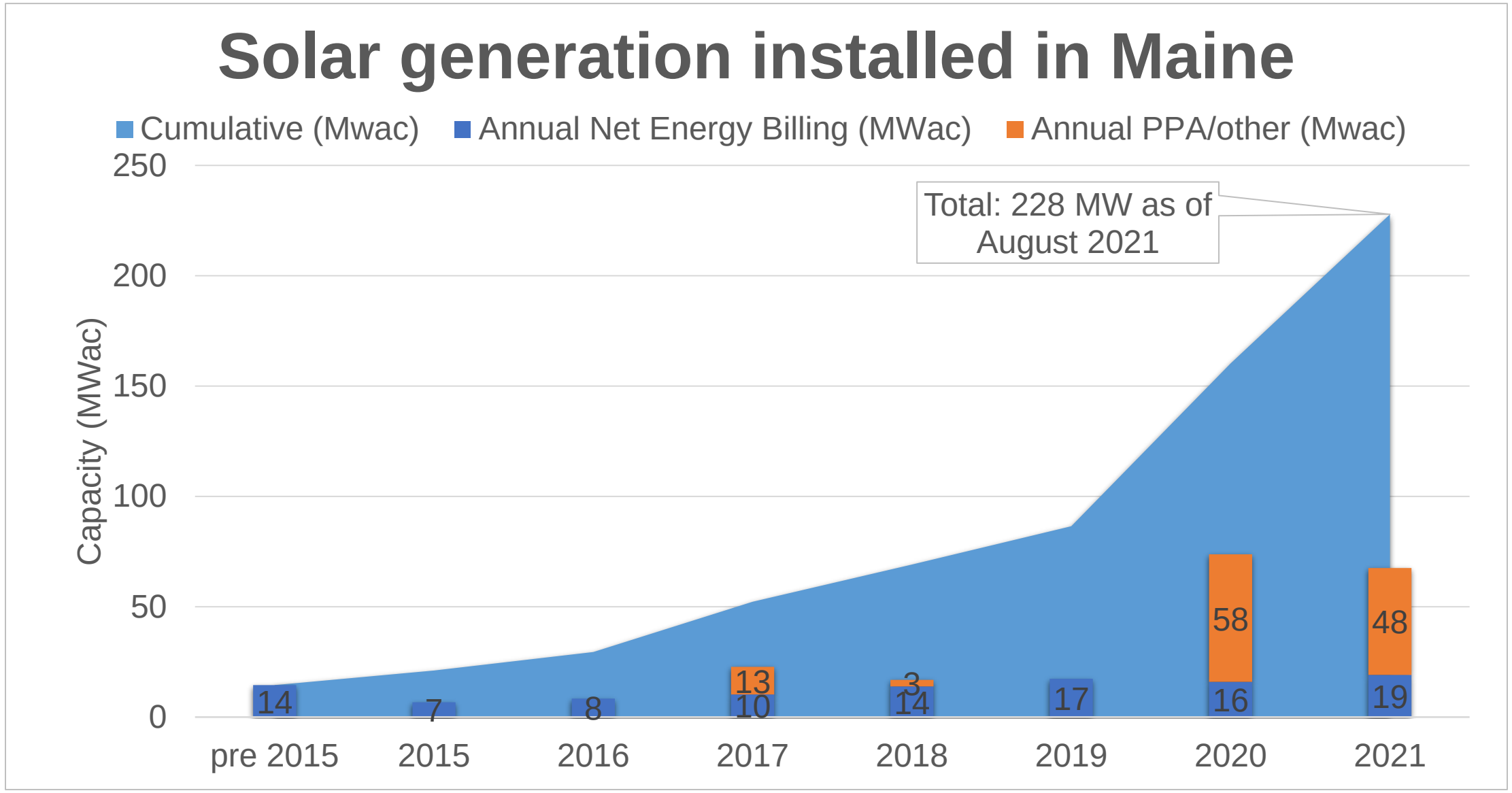
Additional renewable capacity will be needed to meet Maine's goals



Source: Governor's Energy Office, Renewable Energy Goals Market Assessment. February 2021.

GOVERNOR'S Energy Office

Solar generation installed in Maine



Net Energy Billing programs

Phil Bartlett

Net energy billing program timeline

2019

- Kilowatt-hour credit and tariff rate programs established in current form

2020

- PUC required to submit evaluation to Legislature (November 2020)

2021

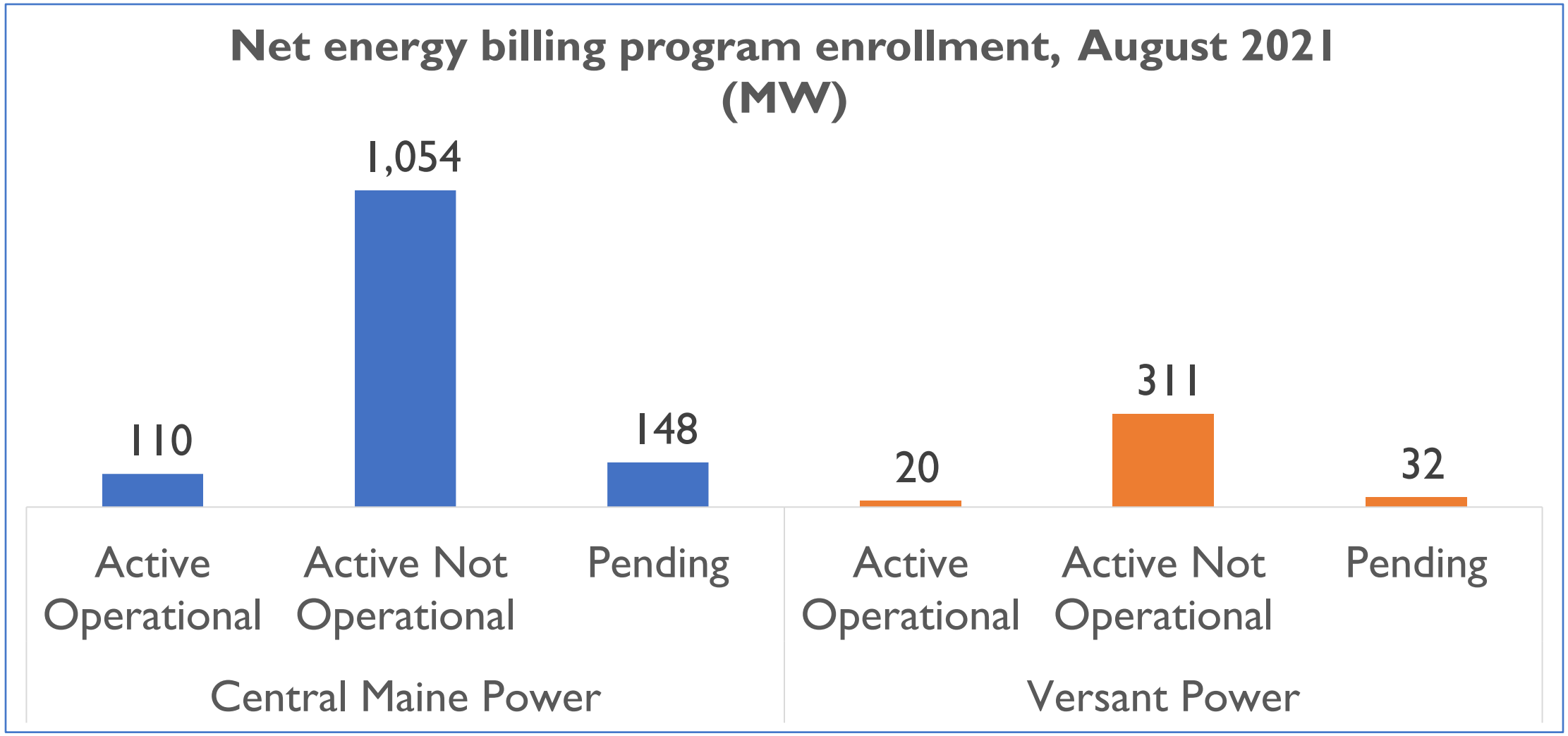
- Goal of 750 MW established
- Milestones required from projects between 2 and 5 MW

Net energy billing requirements – L.D. 936

The Public Utilities Commission has established a process for projects between 2 and 5 MW to demonstrate achievement of milestones, including:

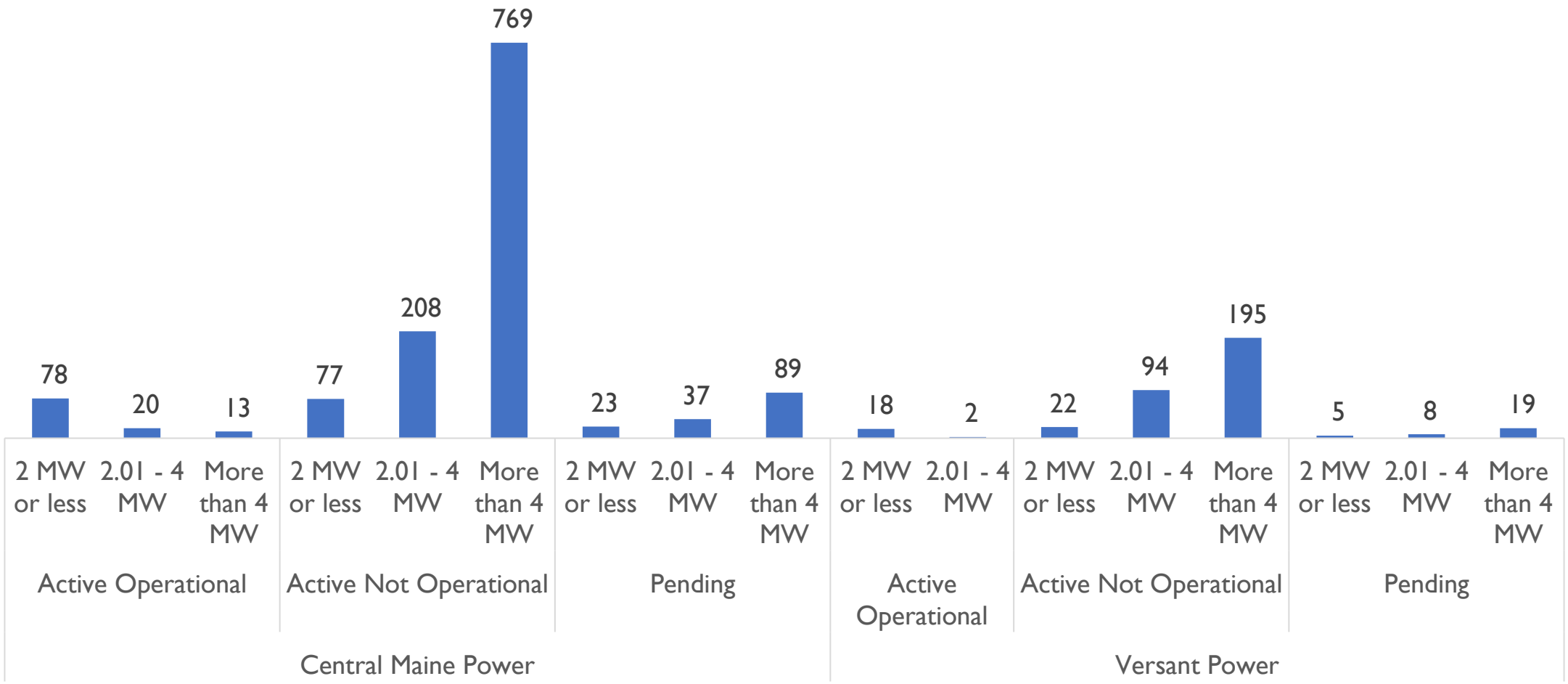
- Interconnection agreements
- Net energy billing agreements
- State and local permits
- Commercial operation by December 31, 2024

The PUC has also established a process for projects to petition for good-cause exemptions as permitted by the statute.



Solar accounts for 70% of active operational capacity, with hydro making up 22%, wind 4% and the remainder split among other technologies. Virtually 100% of non-operational capacity is solar.

Net energy billing enrollment by project size, August 2021 (MW)



Stakeholder Group objectives and process

Dan Burgess

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;

Interim report scope – continued

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.

Proposed meeting schedule

Meeting date	Agenda items
Thursday, October 7 1:00 – 2:30 p.m.	Interim report scope items 1 and 2: optimal successor program framework, target amount of distributed generation
Thursday, October 21 1:00 – 2:30 p.m.	Interim report scope item 3: encouraging energy storage deployment, site selection mechanisms
Thursday, November 4 1:00 – 2:30 p.m.	Interim report scope items 3 (continued) and 4: encouraging energy storage deployment, site selection mechanisms, supporting small companies based in the state
Thursday, November 18 1:00 – 2:30 p.m.	Interim report scope items 5 and 6: holistic grid planning processes, identification of resources necessary for continued process
Thursday, December 2 1:00 – 2:30 p.m.	Draft report outline review Interim report scope item 6: identification of resources necessary for continued process
Thursday, December 16 1:00 – 2:30 p.m.	Draft report and public comment review

Decision-making

Decisions by the Stakeholder Group are advisory and represent recommendations for the stakeholder report. The Stakeholder Group will strive to make decisions by consensus, defined by broad agreement among members: all or nearly all members can live with the proposed recommendation. Where not possible, recommendations supported by the majority will be advanced and other perspectives will be noted. All Stakeholder Group members will be provided the opportunity to submit supplemental material to the interim report describing their views on any matter discussed by the stakeholder group.

Public participation

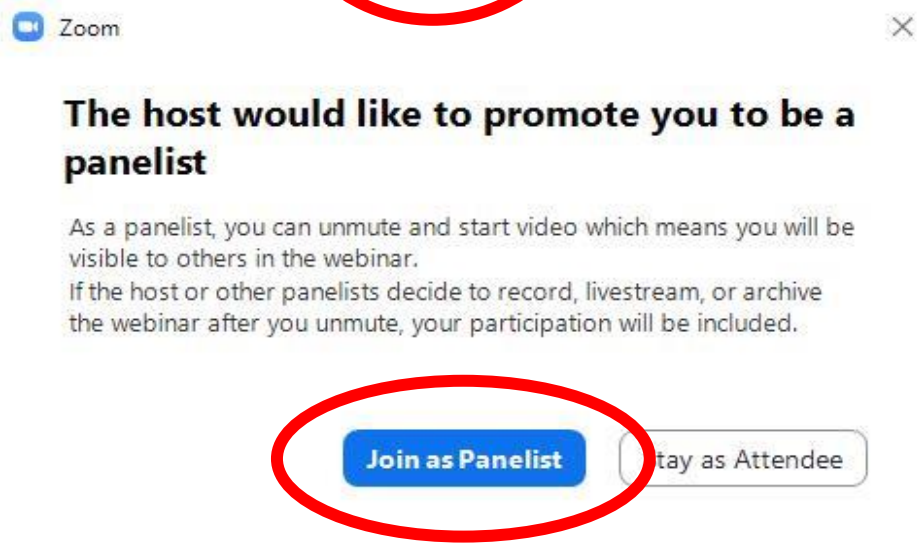
- Public comment period at each stakeholder group meeting
  - Written comments accepted throughout process
  - Comments will be reflected in interim report
- Consideration of public listening sessions
- Draft report will be posted for public comment
- Meeting summaries will be posted online with agendas and registration links

  https://www.maine.gov/energy/studies-reports-working-groups/current-studies-working-groups/dg-stakeholder-group

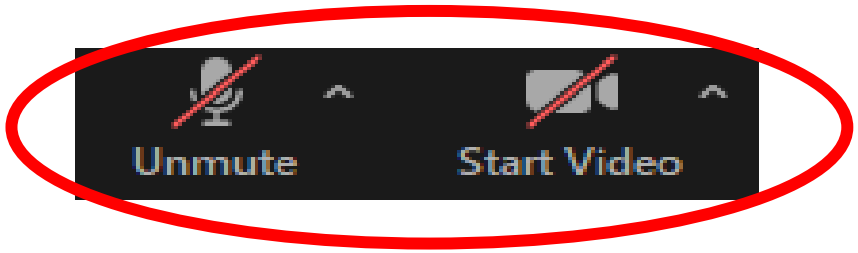
Public comment – how to participate

1

2



3



What are your reactions to the interim report scope?

What are your priorities for the future of distributed generation?

How can the stakeholder group make sure it hears a broad range of perspectives?

Next steps

- Provide feedback on materials
- Provide feedback on agenda items for future meetings

Thank you

Contact: Ethan Tremblay

Energy Policy Analyst

ethan.tremblay@maine.gov