New England Clean Energy Connect Transmission Line



Acadia Center Statement

February 21, 2019

About the New England Clean Energy Connect

If completed, Central Maine Power's New England Clean Energy Connect (NECEC) would connect energy from Hydro-Quebec into the New England power grid to satisfy a Massachusetts law requiring that state's utilities to purchase 1GW of hydro a year for 20 years starting in 2022. The fates of the line and the utility contract are inextricably linked. In order for the NECEC to be built, the Maine Public Utilities Commission (MPUC), the Maine Department of Environmental Protection (MDEP), and the Land Use Planning Commission (LUPC) must each approve aspects of the project. The Massachusetts Department of Public Utilities (MA DPU) must also approve the utilities' energy contracts with Hydro-Quebec.

Acadia Center's Perspective

As a non-profit research and advocacy organization founded and headquartered in Maine, Acadia Center is committed to advancing the clean energy future of Maine and the Northeast. Acadia Center's <u>EnergyVision 2030</u> report shows that hydropower can contribute significantly to a clean energy pathway driven by greater commitments to energy efficiency, wind, solar, clean transportation, and other clean solutions.

Acadia Center is engaged in the MPUC and MA DPU regulatory proceedings that will determine whether the NECEC line and the Hydro-Quebec energy contract meet standards set by Maine and Massachusetts. Energy deliveries from Hydro-Quebec over the NECEC line can contribute to carbon emission reductions in the Northeast, especially when paired with commitments from CMP to further advance clean energy solutions in Maine. Acadia Center urges each of the state regulatory commissions to hold Central Maine Power (CMP) and Hydro-Quebec to the highest possible standards by:

- Ensuring the project advances state and regional climate goals by verifying the emission reductions expected from the contract over its lifetime,
- Thoughtfully and sensitively protecting the Western Maine landscape from unacceptable siting impacts, and
- Strengthening Maine's economy, protecting consumers and delivering a clean energy future.

Acadia Center has stated that neither the transmission project nor the energy contract should proceed until CMP and Hydro-Quebec meet all three goals.

The Climate Impact

A changing climate will irreparably alter Maine's natural resources and traditions, from damaging lobster fisheries and Maine's spruce and fir forests to increasing tick-borne illnesses to jeopardizing winter recreational activities that fuel Maine's tourism industry. To avoid the most catastrophic impacts of climate change, all New England states need to support the rapid shift from fossil fuels like oil and natural gas to low- and non-polluting sources like solar, wind and hydropower.

<u>EnergyVision 2030</u>, Acadia Center's analysis of a clean energy future, shows that additional hydroelectricity, along with increases in solar, efficiency and local clean energy resources, can play an important role in the Northeast's shift away from fossil fuels, including natural gas. In its 2017 study of the clean energy acceleration necessary to address climate change, Acadia Center showed that hydroelectricity could grow to be about 20% of the region's energy supply by 2030. However, hydro's contribution is only of value if energy deliveries occur in a way that also delivers verifiable carbon reductions.

The goals of the law requiring Massachusetts utilities to contract for energy from Hydro-Quebec clearly indicate it must reduce carbon emissions. Additional documentation beyond what is currently required under the energy contract is necessary to verify that energy deliveries over the NECEC line, if permitted, will continue to produce real climate benefits to Maine and the region over the life of the contract.

The Siting Impact

Acadia Center supports efforts underway in the ongoing siting process overseen by MDEP to assess the impacts of the line in Western Maine and identify approaches needed to avoid, minimize and mitigate them. Acadia Center commends the efforts of host communities and conservation advocates demanding that CMP take the best course of action for preserving the resilience of Maine's landscape and urges CMP to engage in developing and implementing all effective solutions. CMP must demonstrate how it will consider and compensate for the costs of any ecological and wildlife disruption. The line will impact the landscape it runs through, and CMP should ensure the negative siting impacts are avoided wherever necessary, reduced as much as possible, and appropriately mitigated.

The Consumer Impact

In the context of the issuance of the Certificate of Public Convenience and Necessity (CPCN), Acadia Center and Conservation Law Foundation <u>reached an agreement with CMP</u> that delivers additional in-state consumer, climate and clean energy benefits. Through those negotiations, CMP agreed to:

- Provide clear, measurable benefits to Maine ratepayers and affected communities.
- Support Maine's efforts to expand its clean energy economy.
- Increase access of all Maine residents to clean transportation and clean distributed energy resources such as solar.
- Make CMP's planning and decision-making more transparent to expand opportunities for alternative investments in solar, storage, and efficiency.
- Ensure that the NECEC line does not create barriers to the potential expansion of renewable energy generation within Maine.
- Support a study examining pathways to achieve regional decarbonization goals.

Acadia Center further notes that CMP needs to realign its business approach to support consumer friendly, clean energy choices for all Mainers. CMP has acknowledged that Maine needs a stronger state Renewable Portfolio Standard, or RPS, more favorable rules for distributed and community solar, which it has unfortunately resisted. These commitments, combined with the significant compensation provisions agreed to in the recently <u>introduced settlement</u> secured by Acadia Center, CLF and other parties including the Maine Office of Public Advocate, and IECG, are driven by the need to shift CMP toward a more consumer-friendly, resilient, clean energy system in Maine. While these commitments are a step in the right direction, CMP must continue on this path if it truly intends to be an effective partner in Maine's transition to a clean energy future. Acadia Center is supportive of the settlement for the issuance of the CPCN that includes these provisions and urges the MPUC to require Central Maine Power to provide a robust benefits package for Maine's residents and communities as it considers whether to issue a CPCN for the NECEC transmission line. Acadia Center's position regarding the project as a whole is pending and will be tied to the emergence of proposed solutions to the issues of the siting impacts and the transparent verification of long-term carbon emission reductions.

For more information, contact:

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