

Legislative Record

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Majority Report of the Committee on **ENERGY, UTILITIES AND TECHNOLOGY** reporting **Ought to Pass as Amended by Committee Amendment "A" (S-317)** on Bill "An Act To Encourage Research To Support the Maine Offshore Wind Industry"

(S.P. 142) (L.D. 336)

Signed: Senators:

> LAWRENCE of York VITELLI of Sagadahoc

Representatives:

BERRY of Bowdoinham CARLOW of Buxton CUDDY of Winterport GROHOSKI of Ellsworth KESSLER of South Portland WADSWORTH of Hiram WOOD of Portland ZEIGLER of Montville

Minority Report of the same Committee reporting **Ought Not to Pass** on same Bill.

Signed:

Senator:

STEWART of Aroostook

Representative:

FOSTER of Dexter

Came from the Senate with the Majority **OUGHT TO PASS AS AMENDED** Report **READ** and **ACCEPTED** and the Bill **PASSED TO BE ENGROSSED AS AMENDED BY COMMITTEE AMENDMENT "A" (S-317)**.

READ.

Representative BERRY of Bowdoinham moved that the House **ACCEPT** the Majority **Ought to Pass as Amended** Report.

Representative DILLINGHAM of Oxford **REQUESTED** a division on the motion to **ACCEPT** the Majority **Ought to Pass as Amended** Report.

The SPEAKER: The Chair recognizes the Representative from Dexter, Representative Foster.

Representative FOSTER: Thank you, Mr. Speaker, Ladies and Gentlemen of the House. LD 336. this offshore wind research array bill is for a project to build up to twelve 12.5megawatt wind turbines about 20 miles or so off the Maine coast. It's a big opportunity for Maine citizens. The planning, construction and deployment of this research array will employ many current and future Maine citizens. Considering location, it will likely employ several MMA graduates now and in the future. However, from my point of view, when boating near my camp, this array 20 miles off the coast of Maine, seems to be a better option for a view than those that I find I'm looking at just eight miles away from my camp. Although this research project seems like a good opportunity for Maine to jump into the offshore renewable energy market, I do have concerns with this bill and would like to touch on those here. First, this bill came to committee for a work session on the last day of our scheduled work. It, in fact, had new language in it which we did not see until that time. This new language changed the bill significantly and, in fact, some who had testified in favor of the bill at the hearing later contacted us with notification that they were now opposed to the bill.

Secondly, I am concerned about the cost to ratepayers of Maine. In spite of this being an attractive project for future investment, it was decided to rely on increase utility generation charges for funding versus capital monies or private The 12.5-megawatt Monhegan test unit was investments. awarded a contract of 23 cents per kilowatt hour in year one. Considering a 40% efficiency production for that unit, the cost would be \$8,500,000 to ratepayers for the first year and in a 20year contract accelerated to \$13,270,000 in year 20. The total estimated cost for that one 12.5-megawatt unit is estimated to be \$215,042,000. The research array has 12 of these 12.5megawatt units. Although it is not known for sure, estimates have been bandied about that the cost per kilowatt hour would be around 13 cents per kilowatt hour. I'll let you do the math on that. Again, 12 of the same type of units as the Monhegan project. Finally, another concern that I have, I'll mention here, is language requiring project labor agreements for any working on this project. As a maintenance manager at one of Maine's paper mills, I negotiated contracts with outside concerns supplying union and nonunion workers to meet mill needs outside the normal day-to-day activities. At my mill and other industrial sites across the State, use of both labor pools was required to meet the demand of construction projects, major repair outages and emergency breakdowns. Even then, the competition for labor throughout the northeast left us lacking from time to time. That experience causes me to wonder how a project of this size will meet its manning need within the project labor agreement. I would expect out-of-state labor may be required to do so. This is unfortunate when we consider that besides our in-state union laborers, we also have more than 27,000 blue-collar workers employed by 4800 construction firms in Maine who help build our roads, bridges, schools, marine facilities and more. Thank you for the time, Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Penobscot, Representative Hutchins.

Representative **HUTCHINS**: Thank you, Mr. Speaker. I rise with a different concern altogether on offshore wind power and that's the fact that it will replace lobster; what makes Maine, Maine. I do not believe that the two can coexist and so, I'm quite heartened by the fact that maybe we can make sure that this never happens. And the reason that I say that is because the powerline that would, even if this is outside the three-mile limit, the line, if it came across Maine, is making a substantive change to Maine-owned property which would require a two-thirds vote of this Body, which I don't think we could get. Thank you.

The Chair ordered a division on the motion to **ACCEPT** the Majority **Ought to Pass as Amended** Report.

A vote of the House was taken. 101 voted in favor of the same and 38 against, and accordingly the Majority **Ought to Pass as Amended** Report was **ACCEPTED**.

The Bill was **READ ONCE**. **Committee Amendment "A"** (S-317) was **READ** by the Clerk and **ADOPTED**.

Under suspension of the rules the Bill was given its **SECOND READING WITHOUT REFERENCE** to the Committee on **Bills in the Second Reading**.

Under further suspension of the rules the Bill was **PASSED TO BE ENGROSSED as Amended by Committee Amendment "A" (S-317)** in concurrence.