

Maine Public Utilities Commission

Annual Report on Long-term Contracts



**Presented to the
Joint Standing Committee on
Energy, Utilities and Technology**

January 3, 2023

I. INTRODUCTION

During its 2017 session, the Legislature enacted an Act to Increase Investment and Regulatory Stability in the Electric Industry (Act).¹ Section 2 of the Act, now codified at 35-A M.R.S. § 3210-C(3), provides in part that:

By January 1st of each year, the commission shall submit a report to the joint standing committee of the Legislature having jurisdiction over energy and utilities matters on the procurement of transmission capacity, capacity resources, energy and renewable energy credits in the preceding 12 months under this subsection, the Community-based Renewable Energy Act and deep-water offshore wind energy pilot projects under Public Law 2009, chapter 615, Part A, section 6, as amended by Public Law 2013, chapter 369, Part H, sections 1 and 2 and chapter 378, sections 4 to 6. The report must contain information including, but not limited to, the number of requests for proposals by the commission for long-term contracts, the number of responses to requests for proposals pursuant to which a contract has been finalized, the number of executed term sheets or contracts resulting from the requests for proposals, the commission's initial estimates of ratepayer costs or savings associated with any approved term sheet, actual ratepayer costs or savings for the previous year associated with any procurement, the total ratepayer costs or savings at the time of the report and the megawatt-hours, renewable energy credits or capacity produced or procured through contracts. The report must also include a plan for the succeeding 12 months pertaining to the procurement of capacity resources, energy and renewable energy credits, including dates for requests for proposals, and types of resources to be procured.

The Commission hereby submits its annual report to the Joint Standing Committee on Energy, Utilities and Technology regarding long-term contracts.

II. COMPETITIVE SOLICITATIONS DURING 2022

A. Competitive Solicitations pursuant to 35-A M.R.S. §3210-C

The Commission did not conduct a competitive solicitation pursuant to Section 3210-C during 2022. The Commission has not determined whether it will conduct a Section 3210-C solicitation during 2023.

B. Competitive Solicitations pursuant to the Community-Based Renewable Energy Pilot Program

During 2022, the Commission did not conduct any competitive solicitations for the Community-Based Renewable Energy Pilot Program. The Commission's authority to

¹ [P.L. 2017, c. 134.](#)

award contracts governed by this program expired on December 31, 2015. Accordingly, no future solicitations are planned.

Since 35-A M.R.S. § 3610 specifies that the Commission may not issue an order after December 31, 2015 directing an investor-owned transmission and distribution utility to enter into a long-term contract nor allow a consumer-owned transmission and distribution utility to enter into a long-term contract related to community-based renewable energy pilot program projects, the Commission suggests amending 35-A M.R.S. § 3210-C(3) to remove the reporting requirement for community-based renewable energy pilot program solicitations.

C. Competitive Solicitations Pursuant to the Deep-water Offshore Wind Energy Pilot Program

The Commission did not conduct any competitive solicitations pursuant to deep-water offshore wind energy program during 2022. The Commission no longer has the authority to award additional contracts governed by this program. Accordingly, no future solicitations are planned.

III. RATEPAYER COSTS OR SAVINGS ASSOCIATED WITH PRIOR SOLICITATIONS

The Commission's Annual Report on Long-Term Contracts dated January 1, 2018, included extensive information on the contracts that have been authorized or executed and the historical cost or benefit to ratepayers of contracts authorized pursuant to Section 3210-C, the Community Based Renewable Energy Pilot Program and the Offshore Wind Pilot Program.²

This Report provides updated information regarding the MWh generation, contract costs and wholesale market revenues for each contract facility that has reached commercial operations. As shown in Appendix 1, the above-market benefits, i.e., wholesale market revenue net of contract costs, for these contracts for the 12-month period ending November 2022 totals approximately \$13.9 million in savings to ratepayers.

² <https://www.maine.gov/tools/whatsnew/attach.php?id=775480&an=2>

Appendix 1

**Long-Term Contract Summary
December 2021-November 2022**

Appendix 1

			Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	12 Months Ended Nov 2022
Community Based Program															
CMP	Athens Energy Biomass	MWh	5,210	5,070	4,900	3,768	5,119	5,195	4,983	4,484	5,256	5,038	5,239	4,566	58,828
		Contract Payments	\$ 515,828	\$ 501,968	\$ 485,110	\$ 372,989	\$ 506,754	\$ 514,320	\$ 493,351	\$ 443,910	\$ 520,348	\$ 498,720	\$ 518,709	\$ 452,005	\$ 5,308,184
		Entitlement Revenue	\$ 336,069	\$ 709,565	\$ 514,273	\$ 243,776	\$ 275,910	\$ 362,947	\$ 347,390	\$ 281,474	\$ 528,278	\$ 293,048	\$ 267,407	\$ 324,109	\$ 4,148,177
		Net Ratepayer (Cost)/Benefit	\$ (179,759)	\$ 207,597	\$ 29,163	\$ (129,213)	\$ (230,844)	\$ (151,373)	\$ (145,961)	\$ (162,436)	\$ 7,930	\$ (205,672)	\$ (251,302)	\$ (127,896)	\$ (1,160,007)
CMP	Georges River Biomass	MWh	4,007	4,319	2,920	4,453	3,948	2,600	4,367	2,940	3,724	3,176	2,842	-	39,297
		Contract Payments	\$ 396,675	\$ 427,613	\$ 289,050	\$ 440,883	\$ 390,828	\$ 257,396	\$ 432,337	\$ 291,098	\$ 368,724	\$ 314,425	\$ 281,346	\$ -	\$ 3,493,700
		Entitlement Revenue	\$ 272,085	\$ 599,462	\$ 318,736	\$ 291,223	\$ 217,250	\$ 194,190	\$ 311,110	\$ 179,718	\$ 371,287	\$ 208,555	\$ 158,032	\$ -	\$ 2,849,563
		Net Ratepayer (Cost)/Benefit	\$ (124,590)	\$ 171,849	\$ 29,686	\$ (149,660)	\$ (173,578)	\$ (63,206)	\$ (121,227)	\$ (111,380)	\$ 2,563	\$ (105,870)	\$ (123,314)	\$ -	\$ (644,137)
CMP	Pittsfield Solar Solar PV	MWh	585	814	836	1,493	1,485	2,054	1,853	2,053	1,662	1,579	1,542	1,178	17,135
		Contract Payments	\$ 49,446	\$ 68,818	\$ 70,666	\$ 128,824	\$ 125,508	\$ 173,555	\$ 156,545	\$ 173,484	\$ 140,452	\$ 133,395	\$ 130,257	\$ 99,574	\$ 1,401,078
		Entitlement Revenue	\$ 39,334	\$ 101,602	\$ 80,880	\$ 82,153	\$ 68,716	\$ 121,634	\$ 118,141	\$ 220,850	\$ 94,388	\$ 81,321	\$ 68,875	\$ 63,189	\$ 1,101,749
		Net Ratepayer (Cost)/Benefit	\$ (10,112)	\$ 32,784	\$ 10,214	\$ (46,671)	\$ (56,792)	\$ (51,921)	\$ (38,404)	\$ 47,366	\$ (46,064)	\$ (52,074)	\$ (61,382)	\$ (36,385)	\$ (299,329)
Versant Power	Pisgah Mountain Wind	MWh	3,011	3,107	3,176	3,128	3,074	727	1,735	2,153	1,299	1,998	2,095	3,049	28,553
		Contract Payments	\$ 280,011	\$ 288,978	\$ 295,340	\$ 290,932	\$ 285,856	\$ 67,619	\$ 161,396	\$ 200,220	\$ 120,849	\$ 185,845	\$ 194,827	\$ 283,578	\$ 2,375,439
		Entitlement Revenue	\$ 162,742	\$ 451,767	\$ 364,140	\$ 202,853	\$ 187,139	\$ 54,654	\$ 115,373	\$ 189,477	\$ 125,030	\$ 131,215	\$ 161,756	\$ 265,610	\$ 2,249,013
		Net Ratepayer (Cost)/Benefit	\$ (117,269)	\$ 162,789	\$ 68,800	\$ (88,079)	\$ (98,717)	\$ (12,965)	\$ (46,023)	\$ (10,743)	\$ 4,181	\$ (54,630)	\$ (33,071)	\$ (17,968)	\$ (126,426)
Versant Power	Exeter Agri-Energy Anaerobic digester	MWh	1,166	900	951	1,188	1,148	1,090	1,082	1,057	1,209	1,168	1,238	839	13,036
		Contract Payments	\$ 109,800	\$ 86,925	\$ 90,330	\$ 111,753	\$ 108,133	\$ 103,355	\$ 102,257	\$ 100,387	\$ 90,822	\$ 86,713	\$ 103,376	\$ 92,401	\$ 1,076,453
		Entitlement Revenue	\$ 115,272	\$ 131,651	\$ 109,120	\$ 77,059	\$ 70,284	\$ 81,994	\$ 72,832	\$ 94,253	\$ 117,975	\$ 77,086	\$ 95,619	\$ 73,630	\$ 1,001,503
		Net Ratepayer (Cost)/Benefit	\$ 5,472	\$ (79,854)	\$ (24,189)	\$ (78,309)	\$ (106,537)	\$ (101,180)	\$ (87,754)	\$ (27,937)	\$ 73,946	\$ 84,978	\$ 44,299	\$ 37,675	\$ (264,862)
35-A M.R.S. §3210-C															
CMP	Rollins Wind Wind	MWh	13,383	12,574	13,706	10,747	12,299	6,393	7,520	8,458	4,887	8,342	8,154	12,212	118,675
		Contract Payments	\$ 886,473	\$ 1,258,845	\$ 1,103,947	\$ 708,346	\$ 760,091	\$ 411,488	\$ 469,775	\$ 636,734	\$ 322,152	\$ 501,158	\$ 463,870	\$ 821,742	\$ 7,458,148
		Entitlement Revenue	\$ 653,706	\$ 1,631,883	\$ 1,227,713	\$ 872,340	\$ 160,599	\$ 391,922	\$ 318,566	\$ 866,915	\$ 111,181	\$ 351,874	\$ 399,551	\$ 714,260	\$ 7,046,804
		Net Ratepayer (Cost)/Benefit	\$ (232,767)	\$ 373,038	\$ 123,766	\$ 163,994	\$ (599,492)	\$ (19,566)	\$ (151,209)	\$ 230,181	\$ (210,971)	\$ (149,284)	\$ (64,319)	\$ (107,482)	\$ (411,344)
CMP	Dirigo Solar Projects Solar PV	MWh	932	1,480	1,890	3,164	3,449	4,454	4,933	6,594	6,073	5,476	4,492	3,528	46,465
		Contract Payments	\$ 31,679	\$ 50,321	\$ 64,276	\$ 107,579	\$ 117,252	\$ 153,333	\$ 167,715	\$ 222,290	\$ 210,334	\$ 189,472	\$ 155,525	\$ 122,388	\$ 1,560,485
		Entitlement Revenue	\$ 63,715	\$ 217,254	\$ 151,547	\$ 177,550	\$ 147,377	\$ 291,218	\$ 328,201	\$ 767,680	\$ 377,873	\$ 277,978	\$ 206,135	\$ 186,779	\$ 3,129,592
		Net Ratepayer (Cost)/Benefit	\$ 32,036	\$ 166,933	\$ 87,271	\$ 69,971	\$ 30,125	\$ 137,885	\$ 160,486	\$ 545,390	\$ 167,539	\$ 88,506	\$ 50,610	\$ 64,391	\$ 1,569,107
Versant Power	Dirigo Solar Projects Solar PV	MWh	738	640	1,123	2,793	2,928	4,309	5,395	5,937	5,654	2,324	2,451	3,551	37,844
		Contract Payments	\$ 25,078	\$ 21,772	\$ 38,184	\$ 94,977	\$ 99,562	\$ 146,500	\$ 186,299	\$ 205,382	\$ 202,353	\$ 113,515	\$ 101,177	\$ 116,830	\$ 1,326,550
		Entitlement Revenue	\$ 44,662	\$ 95,321	\$ 130,743	\$ 185,781	\$ 184,637	\$ 326,817	\$ 374,482	\$ 562,483	\$ 607,067	\$ 220,920	\$ 230,337	\$ 308,014	\$ 3,226,602
		Net Ratepayer (Cost)/Benefit	\$ 19,584	\$ 73,549	\$ 92,559	\$ 90,805	\$ 85,075	\$ 180,317	\$ 188,183	\$ 357,101	\$ 404,713	\$ 107,405	\$ 129,159	\$ 191,185	\$ 1,900,052
Versant Power	Rollins Wind Wind	MWh	3,086	15,682	18,041	16,394	14,634	10,224	8,018	10,597	6,725	9,986	10,580	15,572	139,537
		Contract Payments	\$ 210,619	\$ 1,018,312	\$ 1,164,818	\$ 1,049,355	\$ 934,692	\$ 651,493	\$ 535,040	\$ 705,560	\$ 440,290	\$ 652,717	\$ 680,457	\$ 1,031,456	\$ 8,864,190
		Entitlement Revenue	\$ 38,591	\$ 2,280,146	\$ 2,066,086	\$ 1,063,067	\$ 896,250	\$ 768,179	\$ 533,310	\$ 939,746	\$ 642,498	\$ 655,381	\$ 812,695	\$ 1,358,056	\$ 12,015,415
		Net Ratepayer (Cost)/Benefit	\$ (172,028)	\$ 1,261,834	\$ 901,268	\$ 13,713	\$ (38,442)	\$ 116,685	\$ (1,730)	\$ 234,186	\$ 202,208	\$ 2,664	\$ 132,239	\$ 326,600	\$ 3,151,225
Versant Power	Weaver Wind Wind	MWh	24,282	24,591	26,788	24,298	23,662	15,070	11,925	16,308	8,523	14,230	16,924	25,643	232,244
		Contract Payments	\$ 849,872	\$ 882,338	\$ 961,137	\$ 871,798	\$ 849,005	\$ 540,703	\$ 427,859	\$ 585,139	\$ 305,810	\$ 510,587	\$ 607,239	\$ 920,062	\$ 7,461,678
		Entitlement Revenue	\$ 940,069	\$ 3,587,993	\$ 3,071,719	\$ 1,573,196	\$ 1,441,480	\$ 1,134,336	\$ 801,095	\$ 1,449,693	\$ 836,949	\$ 937,380	\$ 1,307,245	\$ 2,235,819	\$ 18,376,906
		Net Ratepayer (Cost)/Benefit	\$ 90,197	\$ 2,705,655	\$ 2,110,581	\$ 701,399	\$ 592,474	\$ 593,633	\$ 373,236	\$ 864,554	\$ 531,139	\$ 426,793	\$ 700,006	\$ 1,315,758	\$ 10,915,228
Offshore Wind Pilot Program															
Versant Power	ORPC Tidal	MWh	-	-	-	-	-	-	-	-	-	-	-	-	-
		Contract Payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		Entitlement Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		Net Ratepayer (Cost)/Benefit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total All Contracts			\$ (689,237)	\$ 5,076,174	\$ 3,429,120	\$ 547,949	\$ (596,727)	\$ 628,309	\$ 129,598	\$ 1,966,282	\$ 1,137,184	\$ 142,816	\$ 522,925	\$ 1,645,878	\$ 13,940,271

Note: Rollins Wind contract payments shown net of capacity credit.
Note: Includes only facilities which have reached commercial operations