

Mark Bergeron, P.E.
Director, Division of Land Resource Regulation
Maine Department of Environmental Protection
17 State House Station
Augusta, ME 04333-0017

June 4, 2016

Dear Mark:

As you know, Friends of Maine's Mountains (FMM) appreciated the 2013 revisions that the Department made to the Wind Energy Submission Requirements. Experience has taught us much since the Wind Law was enacted, so the move to earlier fund decommissioning, and to periodically update decommissioning plans, was a wise one.

FMM has always expressed to you that the decommissioning requirements remain inadequate because the applicant overestimates the salvage/scrap value, while underestimating the dismantling/material handling costs. FMM has further maintained that a performance bond should be a condition of licensing to absolve the state's decommissioning liability. The massive scope, scale and risk of these projects should be matched with commensurate assurances.

As a result of the SunEdison bankruptcy and ongoing legal issues, FMM has fielded numerous inquiries from Maine citizens who are concerned about the company's ability to perform. FMM requests that the Department please provide assurances that decommissioning, taxes, community benefit agreements, maintenance, wildlife mortality and all other requirements are in order.

Moreover, given the precipitous drop in both energy prices and overall consumption (see attached), energy generators' financial difficulties are being exacerbated by market forces. Through April, the 2016 year to date wholesale energy price in New England is \$26.84/MWH compared to \$70.82/MWH as of April 2015 and \$121.79/MWH as of April 2014. Total New England load in April 2016 was the lowest in any month since the year 2000. This combination of decreasing demand *and* lower costs has resulted in year over year to-date ratepayer savings of \$2.2 billion (YOY2015) and more than \$4 billion (YOY2014). While all

that disposable cash is good for ratepayers and the economy, it is not good for generators. If the LLCs operating wind projects decide to abandon their nonperforming infrastructure, it could be disastrous for Maine's environment and economy.

While it has been relatively quiet on the wind development front in recent months, I remind you that the Tri-State Clean Energy RFP is ongoing. We are hopeful that, given the foregoing market situation, no PUC Commissioner in any New England state will have the temerity to foist triple or quadruple market prices onto ratepayers. However, PUCs have a history of valuing fanciful notions over pragmatic initiatives. If Tri-State goes badly this summer, Maine could soon fall victim to its most harsh wind incursion yet. Now is the time to gird against the threat by:

1. Update and analyze the community benefits, financial capacity, and decommissioning situations of each Maine wind project. Bearing in mind that the Department does not specialize in issues such as financial capacity, perhaps it would be appropriate to engage the Department of Financial Services, outside counsel or the Attorney General to assist in such an analysis.
2. Adopt the policy requiring a performance bond for wind project decommissioning.

Thank you for your attention to this matter.

Rand Stowell, Esq.
Chairman of the Board

CC: Governor Paul LePage