

Friends of Merrymeeting Bay
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State House Station # 18
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RE: Central Maine Power Company & Public Service Company of NH, Request for Certificate of Public Convenience & Necessity for the Maine Power Reliability Program Consisting of the Construction of Approximately 350 Miles of 345 KV & 115 KV Transmission Lines (“MPRP”); Docket No. 2008-255

Ms. Geraghty,

Intervener Friends of Merrymeeting Bay (FOMB) goes on public record here in opposition to the proposed Settlement Stipulation agreement allowing most of the MPRP to go forward along with two pilot projects for Grid Solar. We are very disappointed that the PUC has seen fit to proceed with a project for which there still appears to be questionable need.

Beginning on page 9 of the agreement, #5 states: “The Parties agree that the Settlement MPRP will substantially improve the reliability of the power system in Maine and the region. In particular, the Settlement MPRP will address reliability and operational issues identified by CMP and ISO-NE that relate to the potential unavailability of generation in Maine. *Although the Parties do not necessarily agree with the validity or appropriateness of the planning assumptions used by CMP and ISO-NE in the MPRP analysis as to the availability of Maine generators (italics added)*, the Parties do agree that the Settlement MPRP is likely to eliminate the conditions that might otherwise indicate or contribute to the real or perceived need for a determination that one or more Maine generation units is needed for reliability during the current 10-year planning horizon.”

In other words, building the MPRP *may* eliminate the need for additional generation which *may or may not be needed* in the next 10 years. There is not scientific agreement on the validity of planning assumptions for which the proposed project is based. If simple logic prevails, than we cannot arrive at the conclusion the project should be approved. To begin with a flawed premise is to guarantee arrival at a false conclusion. If the parties don't agree on planning assumptions, the proposed settlement cannot follow.

Maine is already a net exporter of energy. There are more questions and concerns everyday about the wisdom of carving up Maine for the development of wind power.

These concerns and questions range from environmental to economic and affect every citizen in Maine along with Maine wildlife. The question of whether the real purpose of building the proposed project is to move nuclear and hydro generated power from Canada south has not been adequately addressed. Do Mainers want their state carved up with more transmission corridors either for native wind or Canadian generation? At best, this seems a question better left to voters.

Page 16, #5 of the proposed Settlement Stipulation states: “*As part of its annual Chapter 330 § 8(A) report to the Commission, CMP agrees to provide load growth forecast information with respect to areas of its service territory where load growth has the potential to cause the need for upgrades to portions of its transmission system that are operated at 34.5 kV (we believe you mean 345kV) and above.* This information shall identify the regions that would be affected. CMP shall strive to provide this information in such a manner and with enough lead time to allow for the possibility that demand side resources or distributed generation could meet the potential need in the given area.”

It strikes us that this sort of information should be addressed and agreed upon *before* launching a several billion dollar infrastructure project. We also recognize, and it has been made excruciatingly clear during the earlier part of the process, that it is very difficult to accurately forecast power needs very far into the future (which makes the Grid Solar concept of “pay-as you go”, the only approach to make sense.)

“*Non-Opposition*” is just another phrase for Gag Order. As discussed on Page 22, #3: “All parties to this Stipulation agree not to oppose directly or indirectly the Settlement MPRP before any regulatory agency, permitting authority, municipality, court or other entity with approval authority concerning any aspect of MPRP, including, without limitation, the Maine Department of Environmental Protection and the United States Army Corps of Engineers and agree to withdraw in writing within ten (10) days after the Commission’s approval of this Stipulation any opposition to any portion of the Settlement MPRP previously filed with, or provided to, any such regulatory agency, permitting authority, municipality, court or other entity.”

FOMB’s direct experience with such language in the Kennebec Hydro Developers Group Agreement (KHDG) requires us to find fault with inclusion of such a directive. It is extremely likely circumstances will arrive in the future where technologies may change or problems may develop with the system as proposed whereby objections may be raised and changes may be required in order to operate in a reasonable and responsible manner. This language prohibits such objections legal or otherwise to these future issues.

If continued operation may not be the best course (for example if the number of bald eagle mortalities from wire strikes becomes excessive), parties to the agreement may not, according to proposed language, object. This result may be irresponsible and not in the best interest of organization members or citizens the signers are representing. If for example, the Maine DEP cannot by agreement object to unforeseen environmental problems caused by the Settlement Stipulation neither Maine’s environment or citizens are be well served. Signing such an agreement would be in direct opposition to the agency’s mission. The same thing would apply to the Conservation Law Foundation or any party who found a problem later on.

The proposed agreement appears to offer financial incentives to parties critical to its passage, but this does not insure it is in the best interests of Maine ratepayers. One can argue well that any select problem areas within the transmission infrastructure can be addressed without building 350 miles of transmission corridor. Grid Solar has in our opinion made an excellent case for a pay-as-you go Non Transmission Alternative (NTA) using local decentralized generators near areas of need. This seems an appropriate minimum impact approach to dealing with something that may not even be a problem. A decentralized approach is also more appropriate from an energy security point of view. The agreement partially recognizes this by including two pilot projects for Grid Solar.

Overall, the Settlement Stipulation seems to put the cart before the horse. Whether or not there is a genuine need for this project is still undecided and yet the PUC recommends moving ahead. There certainly has not been a demonstrated immediate need, particularly in this time of economic flux. It seems to us a far better approach might be to use some time in the immediate future to proceed with the Grid Solar style (it could also be through another provider) pilot projects. There is no rush to proceed with the MPRP. An extra five or ten years will allow more accurate proof of possible need and also the field testing of alternatives the PUC is required to consider and which were not made available prior to the MPRP proposal process. The Settlement Stipulation as proposed endorses construction for most of the MPRP project while at the same time moving ahead with testing a possible alternative. This decision is entirely backwards.

FOMB urges parties to proceed with a reasonable multi year testing of NTA alternatives before deciding on a further course of action particularly one with such far-reaching and possibly adverse impacts as the MPRP.

Sincerely,

Ed Friedman, Chair