

MAINE STATE LEGISLATURE

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129th MAINE LEGISLATURE

FIRST REGULAR SESSION-2019

Legislative Document

No. 1279

S.P. 399

In Senate, March 14, 2019

An Act To Modernize Maine's Renewable Portfolio Standard

Reference to the Committee on Energy, Utilities and Technology suggested and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator LAWRENCE of York.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 35-A MRSA §3210, sub-§2, ¶B-3**, as amended by PL 2015, c. 220, §1, is
3 further amended to read:

4 B-3. "Renewable capacity resource" means a source of electrical generation:

5 (1) Whose total power production capacity does not exceed 100 megawatts and
6 relies on one or more of the following:

7 (a) Fuel cells;

8 (b) Tidal power;

9 (c) Solar arrays and installations;

10 (d) Geothermal installations;

11 ~~(e) Hydroelectric generators that meet all state and federal fish passage~~
12 ~~requirements applicable to the generator;~~

13 (f) Biomass generators that are fueled by wood, wood waste or landfill gas;
14 or

15 (g) Anaerobic digestion of by-products of waste from animals or agricultural
16 crops, food or vegetative material, algae or organic refuse; ~~or~~

17 (2) That relies on wind power installations; or

18 (3) That relies on hydroelectric generators that meet all state and federal fish
19 passage requirements applicable to the generator, whose total power production
20 capacity is greater than or equal to 25 megawatts and is located in the service
21 territory of a transmission and distribution utility in this State.

22 **Sec. 2. 35-A MRSA §3210, sub-§3-A**, as amended by PL 2017, c. 291, §1, is
23 further amended to read:

24 **3-A. Portfolio requirements; new renewable capacity resources.** Portfolio
25 requirements for new renewable capacity resources are governed by this subsection. The
26 use of hydroelectric generators to meet the requirements of this subsection is limited by
27 subsection 3-B.

28 A. Except as provided in paragraph B, beginning January 1, 2008, as a condition of
29 licensing pursuant to section 3203, each competitive electricity provider in this State
30 must demonstrate in a manner satisfactory to the commission that the percentage of
31 its portfolio of supply sources for retail electricity sales in this State accounted for by
32 new renewable capacity resources is as follows:

33 (1) One percent for the period from January 1, 2008 to December 31, 2008;

34 (2) Two percent for the period from January 1, 2009 to December 31, 2009;

35 (3) Three percent for the period from January 1, 2010 to December 31, 2010;

36 (4) Four percent for the period from January 1, 2011 to December 31, 2011;

- 1 (5) Five percent for the period from January 1, 2012 to December 31, 2012;
- 2 (6) Six percent for the period from January 1, 2013 to December 31, 2013;
- 3 (7) Seven percent for the period from January 1, 2014 to December 31, 2014;
- 4 (8) Eight percent for the period from January 1, 2015 to December 31, 2015;
- 5 (9) Nine percent for the period from January 1, 2016 to December 31, 2016; and
- 6 (10) Ten percent for the period from January 1, 2017 to December 31, 2022.

7 New renewable capacity resources used to satisfy the requirements of this paragraph
8 may not be used to satisfy the requirements of subsection 3.

9 B. Suspensions of scheduled increases in the portfolio requirements as provided in
10 paragraph A are governed by this paragraph.

11 (1) If by March 31st of the years 2010, 2012, 2014 and 2016 the commission
12 determines that investment in new renewable capacity resources in the preceding
13 2 calendar years has not been sufficient for competitive electricity providers to
14 meet the portfolio requirements under paragraph A and that the resulting use of
15 renewable energy credits pursuant to subsection 8 or the alternative compliance
16 payment mechanism pursuant to subsection 9, or both of these methods, has
17 burdened electricity customers in the State without providing the benefits of new
18 renewable capacity resources, the commission may suspend all or some of the
19 future scheduled increases in the portfolio requirements under paragraph A.

20 (2) If the commission finds that alternative compliance payments are made
21 pursuant to subsection 9 in 3 consecutive calendar years, the commission shall
22 temporarily suspend all or some of the future scheduled increases in the portfolio
23 requirements under paragraph A.

24 (3) If the commission suspends any scheduled increases in the portfolio
25 requirements under paragraph A pursuant to subparagraph (1) or (2), the
26 commission may resume increases, limited to no more than one percentage point
27 per year over the previous year, in the portfolio requirements after a minimum of
28 one year.

29 C. No later than March 31, 2008 and annually thereafter, the commission shall
30 submit a report regarding the status of new renewable capacity resources in the State
31 and compliance with the portfolio requirements under paragraph A to the joint
32 standing committee of the Legislature having jurisdiction over utilities and energy
33 matters. The report must include, but is not limited to, a description of new renewable
34 capacity resources available to meet the portfolio requirements under paragraph A,
35 documentation of the loss of any existing renewable generation capacity in the State,
36 the status of implementation of the new renewable capacity resources portfolio
37 requirements, including any suspensions pursuant to paragraph B, and
38 recommendations to stimulate investment in new renewable capacity resources.

39 D. Retail electricity sales pursuant to a supply contract or standard-offer service
40 arrangement executed by a competitive electricity provider that is in effect on the
41 effective date of this subsection is exempt from the requirements of this subsection

1 until the end date of the current term of the supply contract or standard-offer service
2 arrangement.

3 The commission shall adopt rules to implement this subsection. Rules adopted under this
4 subsection are routine technical rules pursuant to Title 5, chapter 375, subchapter 2-A.

5 **Sec. 3. 35-A MRSA §3210, sub-§3-B** is enacted to read:

6 **3-B. Hydroelectric generators; eligibility for new renewable portfolio**
7 **requirements.** For the purpose of the portfolio requirements for new renewable capacity
8 **resources under subsection 3-A, a competitive electricity provider is limited to using the**
9 **following percentages of output of a hydroelectric generator described in section 3210,**
10 **subsection 2, paragraph B-3, subparagraph (3) to fulfill the requirements:**

- 11 A. Twenty-five percent for the period from January 1, 2020 to December 31, 2020;
- 12 B. Thirty percent for the period from January 1, 2021 to December 31, 2021;
- 13 C. Thirty-five percent for the period from January 1, 2022 to December 31, 2022;
- 14 D. Forty percent for the period from January 1, 2023 to December 31, 2023;
- 15 E. Forty-five percent for the period from January 1, 2024 to December 31, 2024;
- 16 F. Fifty percent for the period from January 1, 2025 to December 31, 2025;
- 17 G. Fifty-five percent for the period from January 1, 2026 to December 31, 2026;
- 18 H. Sixty percent for the period from January 1, 2027 to December 31, 2027;
- 19 I. Sixty-five percent for the period from January 1, 2028 to December 31, 2028;
- 20 J. Seventy percent for the period from January 1, 2029 to December 31, 2029;
- 21 K. Seventy-five percent for the period from January 1, 2030 to December 31, 2030;
- 22 L. Eighty percent for the period from January 1, 2031 to December 31, 2031;
- 23 M. Eighty-five percent for the period from January 1, 2032 to December 31, 2032;
- 24 N. Ninety percent for the period from January 1, 2033 to December 31, 2033;
- 25 O. Ninety-five percent for the period from January 1, 2034 to December 31, 2034;
- 26 and
- 27 P. One hundred percent on or after January 1, 2035.

28 **Sec. 4. Effective date.** This Act takes effect January 1, 2020.

29 **SUMMARY**

30 This bill changes the requirements for a hydroelectric generator that meets all state
31 and federal fish passage requirements to qualify as a renewable capacity resource for the
32 purpose of meeting the State's new renewable capacity resource portfolio requirements as
33 follows: it removes the 100-megawatt maximum capacity limit; it adds a 25-megawatt
34 minimum capacity requirement; and it requires the hydroelectric generator to be located
35 in the service territory of a transmission and distribution utility in this State. The bill also

1 limits competitive electricity providers in the use of output from qualifying hydroelectric
2 generators to meet the new renewable capacity resource portfolio requirements over a 15-
3 year period, beginning with a limit of 25% of output from January 1, 2020 through
4 December 31, 2020 and increasing by 5% each year to reach 100% as of January 1, 2035.
5 The legislation has an effective date of January 1, 2020.