

MAINE STATE LEGISLATURE

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Date: 3/13/20 Majority

L.D. 2017
(Filing No. H-757)

ENERGY, UTILITIES AND TECHNOLOGY

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
129TH LEGISLATURE
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 1438, L.D. 2017, Bill, "An Act To Promote Renewable Energy Resources by Establishing an Energy-to-Gas Pilot Project"

Amend the bill by striking out the title and substituting the following:

'An Act To Promote Renewable Energy by Authorizing a Power-to-fuel Pilot Program'

Amend the bill by striking out everything after the enacting clause and inserting the following:

'Sec. 1. 35-A MRS §3212-B is enacted to read:

§3212-B. Power-to-fuel pilot program

1. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Power-to-fuel pilot program" means a pilot program established by the commission pursuant to this section.

B. "Power-to-fuel project" means a facility that converts renewable energy to hydrogen gas, methane gas or other fuel.

C. "Renewable energy" means electricity generated from renewable resources, including, but not limited to, wind, solar and tidal power.

D. "Thermal renewable energy credit" has the same meaning as in section 3210, subsection 2, paragraph E.

2. Power-to-fuel pilot program; criteria. The commission may establish a power-to-fuel pilot program in accordance with this section. Between January 1, 2021 and December 31, 2026, the commission may approve up to 2 power-to-fuel projects under the program. In implementing a power-to-fuel pilot program, the commission shall:

A. Approve a power-to-fuel project only if the commission finds that the project is in the public interest. Criteria for meeting the public interest standard include, but are

COMMITTEE AMENDMENT

1 not limited to, that a project is reasonably likely to benefit electricity or gas
2 ratepayers in the State or substantially advance the viability of technology to reduce
3 greenhouse gas emissions in the State;

4 B. Limit the production capacity of a power-to-fuel project to 10 megawatts;

5 C. Establish power-to-fuel project siting requirements that maximize the use of
6 excess renewable energy and prioritize sites where transmission constraints and
7 curtailment exist;

8 D. Prioritize power-to-fuel projects with lower greenhouse gas emissions; and

9 E. Require that no thermal renewable energy credits may be bought or sold in
10 relation to fuel produced by a power-to-fuel project.

11 3. Exemptions for sales of electricity to a power-to-fuel project. Sales of
12 electricity to a power-to-fuel project under the power-to-fuel pilot program are exempt
13 from:

14 A. Distribution charges regulated by the commission, including but not limited to
15 volumetric, demand and standby charges;

16 B. Charges associated with the procurement of energy efficiency resources by
17 transmission and distribution utilities ordered under section 10110, subsection 4-A;
18 and

19 C. Renewable portfolio standards requirements under section 3210, subsections 3-A,
20 3-B and 3-C.

21 The exemptions provided under this subsection begin on the date of operation of a power-
22 to-fuel project and end 15 years after that date, except that the commission may approve
23 continuation of the exemptions beyond 15 years on the basis of project need.

24 **Sec. 2. Report.** The commission, by November 1, 2022, shall submit a report to
25 the joint standing committee of the Legislature having jurisdiction over energy and utility
26 matters regarding the progress made on establishing the power-to-fuel pilot program
27 under the Maine Revised Statutes, Title 35-A, section 3212-B, including the number of
28 power-to-fuel projects approved under the pilot program, a description of the
29 participating project or projects and the amount of renewable energy converted into
30 hydrogen gas, methane gas or other fuel by the participating project or projects. The joint
31 standing committee may report out a bill to the First Regular Session of the 131st
32 Legislature based on the report, which may include legislation to extend, repeal or make
33 permanent the pilot program.'

34 Amend the bill by relettering or renumbering any nonconsecutive Part letter or
35 section number to read consecutively.

36 **SUMMARY**

37 This amendment is the majority report of the committee. The amendment changes the
38 title and replaces the bill. The amendment authorizes the Public Utilities Commission to
39 establish and oversee a power-to-fuel pilot program. The commission may approve up to
40 2 power-to-fuel projects between January 1, 2021 and December 31, 2026, each up to 10

1 megawatts in production capacity, that convert renewable energy to hydrogen gas,
2 methane gas or other fuel. Under the pilot program, sales of renewable energy to a power-
3 to-fuel project are exempt from distribution charges, charges associated with the
4 procurement of energy efficiency resources and renewable portfolio standards
5 requirements for a period of 15 years from project approval. The amendment requires the
6 commission to submit a report on the pilot program by November 1, 2022 to the joint
7 standing committee of the Legislature having jurisdiction over energy and utility matters.

8 **FISCAL NOTE REQUIRED**

9 (See attached)



Approved: 03/03/20 *MAC*

129th MAINE LEGISLATURE

LD 2017

LR 3079(02)

An Act To Promote Renewable Energy Resources by Establishing an Energy-to-Gas Pilot Project

Fiscal Note for Bill as Amended by Committee Amendment "A" (H-757)

Committee: Energy, Utilities and Technology

Fiscal Note Required: Yes

Fiscal Note

Minor cost increase - Other Special Revenue Funds

Fiscal Detail and Notes

Any additional costs to the Public Utilities Commission as a result of the establishment of a power-to-fuel pilot program or reporting requirements regarding the status of the pilot program are anticipated to be minor and can be absorbed within existing budgeted resources.