

MAINE STATE LEGISLATURE

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L.D. 1270

Date: 6/16/25

(Filing No. H-746)

MAJORITY

ENERGY, UTILITIES AND TECHNOLOGY

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
132ND LEGISLATURE
FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "A" to H.P. 845, L.D. 1270, "An Act to Establish the Department of Energy Resources"

Amend the bill in Part A by striking out all of section 3 and inserting the following:

'Sec. A-3. 2 MRSA §9, as amended by PL 2025, c. 293, §1, is repealed.'

Amend the bill in Part A by inserting after section 5 the following:

'Sec. A-6. 10 MRSA §965, sub-§3, ¶B, as enacted by PL 2001, c. 417, §6, is amended to read:

B. Two One of the at-large members must be knowledgeable in the field of natural resource enterprises or financing.'

Amend the bill in Part A by striking out all of sections 7, 8 and 9 and inserting the following:

'Sec. A-7. 30-A MRSA §4723, sub-§2, ¶B-1, as enacted by PL 2021, c. 657, §14, is amended by amending subparagraph (4) to read:

(4) A commissioner with expertise in energy efficiency issues regarding residential structures and in the construction sustainability requirements established in section 4726, subsection 2; and

Sec. A-8. 35-A MRSA §3210-C, sub-§6, as amended by PL 2009, c. 518, §4, is further amended to read:

6. **Competitive solicitation process and contract negotiation.** Except as provided in paragraph A, for purposes of selecting potential capacity resources for contracting pursuant to subsection 3, the commission ~~shall~~ may, after consultation with the Commissioner of Energy Resources, conduct a competitive solicitation no less often than every 3 years if the commission determines that the likely benefits to ratepayers resulting from any contracts entered into as a result of the solicitation process will exceed the likely costs. Following review of bids, the commission ~~may negotiate with one or more potential suppliers~~ shall approve a contract or contracts between one or more transmission and

1 distribution utilities and the bidder of any proposal selected by the commission in
 2 accordance with this section. When only one bid has been offered, the commission shall
 3 ensure that negotiations are based on full project cost disclosure by the potential supplier.
 4 ~~The commission shall negotiate contracts that are commercially reasonable and that~~
 5 ~~commit all parties to commercially reasonable behavior.~~

6 A. The commission shall, for purposes of selecting energy efficiency capacity
 7 resources and available energy associated with such resources for contracting pursuant
 8 to subsection 3, conduct a competitive solicitation in accordance with this subsection
 9 or contract with the Efficiency Maine Trust established in section 10103 to deliver
 10 those resources through a competitive solicitation process administered by the trust.

11 **Sec. A-9. 35-A MRSA §3401-A, sub-§5-A** is enacted to read:

12 **5-A. Department.** "Department" means the Department of Energy Resources
 13 established in chapter 103.

14 **Sec. A-10. 35-A MRSA §3401-A, sub-§12,** as enacted by PL 2023, c. 481, §2, is
 15 amended to read:

16 **12. Maine emerging industry compensation threshold.** "Maine emerging industry
 17 compensation threshold" means an employment total compensation package paid to craft
 18 workers as defined in Title 26, section 1304, subsection 3-A that includes wages, health
 19 and welfare benefits, retirement benefits and any additional employer-paid benefits that
 20 have a monetary value equal to or greater than that established and in effect as a result of a
 21 mutual agreement between a labor organization whose local jurisdiction includes the
 22 county in the State where the work related to ~~an offshore wind power~~ a construction project
 23 is being or is to be performed, based on data submitted by that labor organization to the
 24 Department of Labor, and the related and applicable contractors that are signatories to that
 25 mutual agreement.

26 **Sec. A-11. 35-A MRSA §3408, sub-§2,** as enacted by PL 2023, c. 481, §6, is
 27 amended to read:

28 **2. Requests for proposals; offshore wind power projects.** The commission shall
 29 review a solicitation developed by the ~~office~~ department under subsection 1 and, upon
 30 finding that the solicitation is reasonably likely to attract competitive bids and further the
 31 objectives of the program as described in section 3407, shall authorize the department to
 32 issue a request for proposals in accordance with this subsection.

33 A. The office shall file with the commission the first solicitation by July 1, 2025 unless
 34 another date is established by mutual agreement between the office and the
 35 commission.

36 B. The ~~commission~~ department shall issue the first request for proposals by the later
 37 of January 15, 2026 and 3 months after the first auction by the federal Department of
 38 the Interior, Bureau of Ocean Energy Management for offshore wind power leases in
 39 the Gulf of Maine.

40 C. If, within any 3-year period between January 15, 2026 and January 1, 2039, the
 41 commission has not found a solicitation submitted by the ~~office~~ department to be
 42 reasonably likely to further the objectives of the program as described in section 3407,

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- 1 the commission shall expeditiously develop and issue a request for proposals consistent
2 with the requirements of this section.
- 3 D. The commission shall review and make a determination regarding a solicitation
4 submitted by the office within ~~6 months~~ 120 days of the date of submission unless a
5 longer period is requested by the department.
- 6 E. If the commission determines that a contract for an amount greater than those
7 specified in subsection 1, paragraph C is in the public interest, it may authorize the
8 department to select resources and the commission may approve contracts accordingly.
- 9 F. In conducting a solicitation and selecting offshore wind power projects under this
10 section, the ~~commission~~ department shall ensure that selected projects result in
11 contracts that are cost-effective for electric ratepayers over the term of the contract,
12 taking into consideration potential quantitative and qualitative economic,
13 environmental and other benefits to ratepayers.
- 14 The ~~commission~~ department shall give priority to offshore wind power projects that:
- 15 (1) Have generation facilities located outside of Lobster Management Area 1;
16 (2) Include agreements compliant with subsection 3 or 29 United States Code,
17 Section 158(f) and are open to disadvantaged business enterprises and small
18 businesses;
19 (3) Provide employment and contracting opportunities for:
20 (a) Members of federally recognized Indian tribes in this State;
21 (b) Workers from disadvantaged communities as defined by:
22 (i) The United States Council on Environmental Quality's climate and
23 economic justice screening tool or by an agency of this State using
24 standards similar to those in the screening tool as determined by the
25 commission;
26 (ii) The United States Department of Commerce, Economic Development
27 Administration's economic distress criteria; or
28 (iii) The United States Department of Energy's disadvantaged community
29 criteria; and
30 (c) Certified businesses;
31 (4) Provide community benefits, as determined preconstruction through
32 consultation with federally recognized Indian tribes in this State, a stakeholder
33 engagement process that includes disadvantaged communities, as described in
34 subparagraph (3), division (b), and investments in fishing communities;
35 (5) Provide financial contributions or technical assistance to support research,
36 monitoring and mitigation of impacts to wildlife, fisheries and habitats and the
37 minimization of environmental impacts from the offshore wind power project and
38 related transmission and interconnection infrastructure;
39 (6) Provide economic benefits to the State, including using an offshore wind port
40 located in this State;
41 (7) Maximize the hiring of residents of this State;

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(8) Maximize economic, employment and contracting opportunities for residents of this State and all businesses in this State; and

(9) Provide ratepayer benefits, including, but not limited to, enhanced electric reliability, resource adequacy including contributing to reducing winter electricity price spikes and overall price impacts, avoidance of line loss and mitigation of transmission costs to the extent possible.

~~The commission shall allow the office to review the bids submitted pursuant to this subsection. The office may provide input to the commission upon review of the bids, which may include an assessment as to whether any bids submitted are consistent with the goals of the program as described in section 3407, subsection 1.~~

G. ~~The commission may direct one or more transmission and distribution utilities to enter into long term contracts for energy, capacity or renewable energy credits from offshore wind power projects selected by the commission in accordance with this subsection shall review and approve the contracts upon a finding that the contracts meet the requirements of this section.~~

H. If, at the close of a competitive bidding process conducted under this section, the ~~commission~~ department determines that the proposals submitted do not satisfy the requirements of paragraph F, the ~~commission~~ department shall reject all proposals and shall open a new competitive bidding process under this subsection.

I. Notwithstanding Title 5, section 8071, subsection 3, the ~~commission~~ department, after consultation with the ~~office~~ commission, may establish by rule reasonable fees that bidders must submit with proposals for offshore wind power projects. Fees collected pursuant to this paragraph may be used for the administration of this section, section 3406 and section 3407. Upon request of the ~~office~~ commission, the ~~commission~~ department may transfer fees collected in accordance with this paragraph to the ~~office~~ commission for the administration of this section, section 3406 and section 3407.

Sec. A-12. 35-A MRSA §3803, sub-§1, as enacted by PL 2023, c. 328, §1, is repealed.

Sec. A-13. 35-A MRSA §3803, sub-§3, as enacted by PL 2023, c. 328, §1, is amended to read:

3. Funding and reporting. Notwithstanding sections 116 and 117, at the request of the ~~office~~ trust, the commission may transfer money from funds in the Public Utilities Commission Regulatory Fund or the Public Utilities Commission Reimbursement Fund to the office to pay for the costs associated with a petition for a procurement of energy from renewable resources under subsection 1 and, at the request of the trust, to the trust to implement the 3-year beneficial electrification plan included in the triennial plan under subsection 2. At the end of any year in which the commission has transferred money under this subsection to the office or the trust, the office or the trust, respectively, shall provide a report to the commission detailing its fund requests, money received and expenditures.

Sec. A-14. 35-A MRSA §3804, as enacted by PL 2023, c. 328, §1, is amended to read:

§3804. Commission advancement of clean energy and beneficial electrification

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The commission shall advance through its decisions and orders beneficial electrification in order to achieve the emission reduction and renewable energy goals of the State, reduce energy costs to consumers and provide economic and climate benefits for all ratepayers. ~~The commission shall seek to procure energy under section 3803, subsection 1, paragraph B in a manner that is consistent with beneficial electrification. To the extent practicable, the commission shall seek to ensure that the acquisition of energy from renewable resources under section 3803, subsection 1, paragraph B is designed to procure sufficient energy to meet the portfolio requirements under section 3210 for the reasonably expected increase in use of electricity by retail electricity consumers.'~~

Amend the bill in Part A in section 10 in Pt. 9 in c. 103 in §10303 in the first indented paragraph in the 5th line (page 3, line 25 in L.D.) by striking out the following: "and support economic development" and inserting the following: 'address energy burdens and support economic development while supporting the achievement of the greenhouse gas reduction obligations and climate policies pursuant to Title 38, section 576-A and section 577, subsection 1 and the renewable energy goals established in section 3210, subsection 1-A'

Amend the bill in Part A in section 10 in Pt. 9 in c. 103 in §10304 by inserting after subsection 3 the following:

'4. Commissioner; limitation. An individual serving or appointed to serve as the commissioner on or after December 15, 2025 may not participate on behalf of a bidder in the submission of a proposal in response to a competitive solicitation conducted by the department pursuant to section 10313 until 12 months after the completion of the commissioner's service.

'5. Contracts; agreements. The department may employ experts and professional consultants, contract for services as the commissioner determines necessary consistent with the powers and duties of the department and enter into agreements with federal, state and municipal entities and other organizations as will promote the objectives of this chapter.'

Amend the bill in Part A in section 10 in Pt. 9 in c. 103 in §10304 by renumbering the subsections to read consecutively.

Amend the bill in Part A in section 10 in Pt. 9 in c. 103 by striking out all of §10305 (page 4, lines 16 to 40; page 5, lines 1 to 44; and page 6, lines 1 to 19 in L.D.) and inserting the following:

'§10305. Powers and duties of department

Under the supervision of the commissioner, the department shall:

1. State energy plan. Prepare and submit a comprehensive state energy plan to the Governor and the joint standing committee of the Legislature having jurisdiction over energy matters by January 15th of each odd-numbered year. The department shall ensure the state energy plan is informed by public input, including, but not limited to, through the conduct of at least 2 public meetings and receipt of public comment related to a draft of the state energy plan, and shall seek input regarding issues faced by socially vulnerable counties and communities as defined in section 3210-I, subsection 1, paragraph D. The state energy plan must:

A. Identify opportunities to lower and to maintain reasonable total energy costs for consumers in the State;

B. Evaluate energy data, including, but not limited to, data on energy supply, demand and costs in this State with consideration of all available energy sources;

C. Detail the State's progress toward meeting its energy goals for new renewable energy generation and energy storage, including distributed energy resources;

D. Evaluate the State's progress in meeting the oil dependence reduction targets in section 10309;

E. Identify resource and transmission and distribution capacity and infrastructure needs to facilitate the development and integration of new renewable energy generation within the State and support the State's renewable resource portfolio requirements specified in section 3210 in close coordination with the independent system operator of the New England bulk power system or a successor organization, the Public Utilities Commission's integrated grid planning under section 3147 and transmission and distribution utilities;

F. Address the association between energy planning and meeting the greenhouse gas emissions reduction goals in the state climate action plan pursuant to Title 38, section 577;

G. Include a cost and resource estimate for technology development to meet the goals and objectives of the state energy plan;

H. Include energy supply and demand forecasts that must be considered in other planning efforts including updates to the state climate action plan under Title 38, section 577 and the Efficiency Maine Trust's triennial plan under section 10104, subsection 4; and

I. Identify approximate total project award targets for the next 3 competitive solicitations to be conducted by the department pursuant to section 10313.

The joint standing committee of the Legislature having jurisdiction over energy matters may report out legislation by April 1st of each odd-numbered year relating to the content of the state energy plan. The joint standing committee of the Legislature having jurisdiction over natural resources matters may make recommendations regarding that legislation to the joint standing committee of the Legislature having jurisdiction over energy matters;

2. Recommendations. Make recommendations, if needed, for additional legislative and administrative actions to ensure that the State can meet the goals and objectives of the state energy plan under subsection 1. The department shall develop, recommend and, as appropriate, take action to implement integrated or comprehensive strategies, including at regional and federal levels, to carry out the goals and objectives of the state energy plan, to secure the State's interest in energy resources and the supply and cost-effective use of those resources and lower the total cost of energy to consumers in this State;

3. Annual report. By January 15th of each year, prepare and submit to the joint standing committee of the Legislature having jurisdiction over energy matters a report that describes the activities of the department during the previous calendar year in carrying out its duties under this section and describes the State's progress in implementation of the state energy plan prepared pursuant to subsection 1, funding received from private sources pursuant to section 10308, subsection 3 and the department's annual accounting pursuant to section 10308, subsection 2. After receipt and review of the annual report, the joint standing committee may report out legislation relating to energy policy;

1 **4. Energy data collection and analysis.** In collaboration with other relevant state
2 agencies, private industry and nonprofit organizations, collect and analyze energy data,
3 including, but not limited to, data on energy supply, demand and costs in this State with
4 consideration of all available energy sources;

5 **5. Energy information dissemination.** Review and coordinate the dissemination of
6 energy information developed by cabinet-level state agencies intended for the public and
7 the media;

8 **6. Technical assistance.** Provide technical assistance and information to the Governor
9 and the Legislature regarding the State's short-range and long-range energy needs and the
10 resources to meet those needs;

11 **7. Funds from public and private sources.** Seek, accept and administer funds from
12 public and private sources and develop partnerships with public and private entities to
13 support the goals of the department, including, but not limited to, promoting energy
14 efficiency, demand-side management and distributed generation;

15 **8. Federal government funds.** Receive and administer funds from the United States
16 Department of Energy's State Energy Program and other federal funds as appropriate;

17 **9. Electricity agreements.** Work with transmission and distribution utilities, the
18 commission, state agencies involved in the permitting of energy generation facilities and
19 other relevant entities to negotiate agreements that create value for electricity consumers
20 with developers of renewable generation who are interested in building energy generation
21 facilities or developing or using energy transmission infrastructure in this State. This
22 subsection may not be interpreted to authorize the commissioner to be a signatory to such
23 agreements unless otherwise authorized by law;

24 **10. Energy transmission capacity planning and policy.** Monitor energy
25 transmission capacity planning and policy affecting this State and make recommendations
26 to the Governor and the Legislature as necessary for changes to the relevant laws and rules
27 to facilitate energy infrastructure planning and development;

28 **11. Petroleum products.** Monitor petroleum product inventories, deliveries,
29 curtailments and shortfalls and other matters relating to the availability of petroleum
30 products in the State;

31 **12. State energy security plan.** Prepare and submit a state energy security plan in
32 accordance with federal requirements. The department shall, to the extent practicable while
33 protecting the energy security of the State, also submit the plan to the joint standing
34 committee of the Legislature having jurisdiction over energy matters;

35 **13. Clean energy program.** Establish and manage a program to promote clean energy
36 job development and clean technology business innovation in coordination with industry,
37 educational and training organizations to support current and future workforce needs,
38 including access to high-quality employment opportunities for residents of the State that
39 contribute to the development of a skilled and trained workforce;

40 **14. Beneficial electrification.** Coordinate with the commission and the Efficiency
41 Maine Trust, established in section 10103, to monitor beneficial electrification trends and
42 opportunities and to establish beneficial electrification targets and regulatory frameworks;

1 **15. Renewable resource portfolio requirements.** Review and report on the status
 2 and impacts of the implementation of the renewable resource portfolio requirements as
 3 described in section 3210; and

4 **16. Greenhouse energy reductions.** Ensure that the State's energy goals, policies and
 5 plans align with and support the achievement of the greenhouse gas reduction obligations
 6 and climate policies established by Title 38, sections 576-A and 577.'

7 Amend the bill in Part A in section 10 in Pt. 9 in c. 103 in §10308 in subsection 3 in
 8 the last line (page 7, line 38 in L.D.) by striking out the following: "on an annual basis" and
 9 inserting the following: 'in accordance with section 10305, subsection 3'

10 Amend the bill in Part A in section 10 in Pt. 9 in c. 103 in §10311 in the first indented
 11 paragraph in the last line (page 8, line 30 in L.D.) by striking out the following: "no later
 12 than July 1, 2028"

13 Amend the bill in Part A in section 10 in Pt. 9 in c. 103 in §10311 in subsection 6 in
 14 the first 2 lines (page 9, lines 21 and 22 in L.D.) by striking out the following: "petition the
 15 commission to procure energy in accordance with section 3803" and inserting the
 16 following: 'procure energy, capacity or renewable energy credits in accordance with section
 17 10313, subsection 2'

18 Amend the bill in Part A in section 10 in Pt. 9 in c. 103 in §10311 in subsection 6 in
 19 the last line (page 9, line 27 in L.D.) by striking out the following: "3804" and inserting the
 20 following: '10313'

21 Amend the bill in Part A in section 10 in Pt. 9 in c. 103 in §10312 by striking out all of
 22 subsection 4 (page 10, lines 19 to 28 in L.D.) and inserting the following:

23 **'4. Violations.** An owner or lessee of a primary storage facility or a primary supplier
 24 who fails to provide the information required by this section or who supplies false or
 25 misleading information commits a civil violation for which a fine of \$2,500 may be
 26 adjudged.'

27 Amend the bill in Part A in section 10 in Pt. 9 in c. 103 by striking out all of §10313
 28 (page 10, line 42; page 11, lines 1 to 43; and page 12, lines 1 to 11 in L.D.) and inserting
 29 the following:

30 **'§10313. Competitive solicitations**

31 The department is responsible for initiating and conducting procurements for energy,
 32 associated environmental attributes or other services from renewable and clean resources.
 33 For the purposes of this section, "renewable and clean resources" means generation eligible
 34 for any portfolio requirement in section 3210, energy storage, demand management or
 35 related transmission. Beginning January 15, 2027, and every 2 years thereafter, the
 36 department shall conduct one or more competitive solicitations during the following 2-year
 37 period to procure renewable and clean resources, which may include environmental
 38 attributes through long-term contracts if the department determines procurement is
 39 necessary to achieve the requirements of Title 38, section 576-A or 577 or Title 35-A,
 40 section 3210, to meet and manage reasonably expected growth in electricity demand or to
 41 meet reliability needs or the department determines is otherwise necessary based on the
 42 comprehensive state energy plan prepared pursuant to section 10305, subsection 1. These
 43 contracts are not subject to the rules of the Chief Procurement Officer.

1 1. Objectives. The department shall conduct competitive solicitation under this
2 section in a manner consistent with the following objectives:

3 A. To provide the benefits of renewable and clean resources to ratepayers in the State;

4 B. To provide the benefits of renewable and clean resources toward meeting the
5 greenhouse gas reduction obligations and climate policies established by Title 38,
6 sections 576-A and 577;

7 C. To contribute to the State's economic and workforce goals, including through the
8 actions detailed in section 3210-I, subsection 3, paragraph D, subparagraph (2);

9 D. To minimize the impact of energy generation on the environment of the State;

10 E. To ensure the protection of low-income ratepayers; and

11 F. To avoid or minimize the curtailment of other renewable or clean resources.

12 2. Solicitation initiation. If the department determines one or more competitive
13 solicitations are necessary based on the comprehensive state energy plan required pursuant
14 to section 10305, subsection 1 and related analysis, the department shall initiate
15 solicitations in order to select resources for contracts under this section. The department
16 shall determine the total amount sought in all competitive solicitations within any 2-year
17 period under this section in accordance with the state energy plan, except that the amount
18 may not exceed 15% of the average annual statewide electric retail sales in the preceding
19 2-year period.

20 A. The department shall develop a request for proposals for each competitive
21 solicitation that meets the requirements of subsection 3.

22 B. The department shall consult with the Office of the Public Advocate in developing
23 a request for proposals. The department may also solicit public input, including
24 through requests for information, to obtain information prior to publishing any final
25 competitive solicitation.

26 C. The department shall submit a request for proposals to the commission for approval
27 prior to its issuance. The commission shall approve or reject a request for proposals
28 submitted by the department in accordance with this section as expeditiously as
29 possible but within 120 calendar days, unless a longer period is requested by the
30 department. The commission shall approve a request for proposals upon finding that
31 it conforms to the requirements of subsection 3, is reasonably likely to result in one or
32 more contracts that provide benefits to ratepayers in the State in excess of any costs to
33 ratepayers as a result of the contract and is reasonably likely to result in competitive
34 bids.

35 D. The department may hire expert consultants necessary to assist in the development
36 of the competitive solicitation and evaluation of proposals.

37 E. The department may coordinate a competitive solicitation with other governmental
38 entities or entities designated by those jurisdictions or transmission and distribution
39 utilities.

40 3. Solicitation requirements. A competitive solicitation under this section must be
41 conducted using a request for proposals. A request for proposals must include, but is not
42 limited to:

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1 A. Criteria to determine the eligibility of prospective bidders;

2 B. Criteria to determine the eligibility of submitted projects;

3 C. Criteria to determine the selection of awarded projects, including criteria to
4 determine ratepayer benefits and costs consistent with subsection 1;

5 D. A process for the submission of questions by prospective bidders and the provisions
6 of responses by the department in a manner that is equally accessible to all prospective
7 bidders;

8 E. A timeline with expected dates for each phase of the bidding and evaluation process;

9 F. A standard form contract, which must include commercially reasonable terms and
10 terms that to the extent practicable avoid or minimize the curtailment of other
11 renewable or clean resources and protect ratepayers from impacts of negative pricing,
12 and may not be for a term greater than 20 years, unless a different term is determined
13 by the commission to be in the public interest;

14 G. Notice of state wage, safety and apprenticeship requirements that may be required
15 based on the solicitation type; and

16 H. Any necessary materials or templates to enable submission of comparable and
17 competitive bids.

18 **4. Evaluation and selection.** The department shall evaluate and select proposals in
19 accordance with this subsection. The department may coordinate with other entities,
20 including, but not limited to, state agencies, the Office of the Public Advocate, transmission
21 and distribution utilities, other states and the independent system operator of the New
22 England bulk power system or a successor organization, in the evaluation and selection of
23 proposals under this section. The department may find a submitted proposal ineligible if
24 the department, at its sole discretion, determines the proposal does not conform to the
25 criteria established in the request for proposals.

26 A. In evaluating eligible proposals and selecting one or more proposals for contract
27 awards, the department shall give the greatest weight to the benefits to ratepayers. The
28 department may not select a proposal for a contract award unless the department
29 determines the proposal is reasonably likely to provide benefits to ratepayers in the
30 State in excess of any costs to ratepayers as a result of the contract.

31 B. In selecting projects that meet the requirements of paragraph A, the department
32 shall also weigh factors consistent with the objectives established in subsection 1, as
33 long as the factors and weight are consistent with the criteria established pursuant to
34 subsection 3, paragraph C.

35 C. The department shall evaluate and to the extent practicable, select proposals that
36 avoid or minimize negative impact on other renewable or clean generation due to
37 congestion and curtailment.

38 **5. Community and workforce enhancement standards; apprenticeship standards.**
39 If the department selects a project for a contract for energy, associated environmental
40 attributes or other services from renewable and clean resources involving the construction
41 of the project, the department shall ensure that community and workforce enhancement
42 standards under the contract applicable to contractors and subcontractors involved in the
43 project's construction include requirements that a contractor or subcontractor;

A. Ensure that all construction workers earn compensation at or above the Maine emerging industry compensation threshold as defined in section 3401-A, subsection 12;

B. Meet the requirements outlined in Title 26, section 1317; and

C. Meet the requirements outlined in Title 26, section 3502.

6. Contracts. Contracts must be based on the standard form contract required by subsection 3, paragraph F. The department may coordinate with any entity listed in subsection 4 in the negotiation of contracts. The department or a transmission and distribution utility may make a request to file information relevant to the contract negotiations with the commission pursuant to a protective order.

7. Commission approval. The department shall submit contracts negotiated pursuant to subsection 6 to the commission for approval, and the commission shall approve a contract upon finding that:

A. The solicitation process conducted by the department conformed to the requirements of this section;

B. The contract is commercially reasonable; and

C. The contract is reasonably likely to provide benefits to ratepayers in the State in excess of any costs to ratepayers as a result of the contract, as determined using the criteria established pursuant to subsection 3, paragraph C.

If the commission approves a contract, the commission shall issue an order directing a transmission and distribution utility to act with respect to the contract within 120 calendar days, unless a longer period is requested by the department. If the commission does not approve a contract, the commission may direct that the contract be amended and resubmitted to the commission for approval.

8. Bidding fees. The department may require a bidder to pay a reasonable and nonrefundable bidding fee to defray the department's administrative costs associated with a solicitation, as well as financial security due at contract execution, which may be at risk if projects fail to meet project milestones. The department may require a transmission and distribution utility to hold those fees. A bidding fee must be set forth in the request for proposals required by subsection 2.

9. Confidentiality. Proposals submitted in response to a solicitation and materials created or submitted during contract negotiations pursuant to this section are confidential and may not be disclosed.

10. Commission rules. The commission shall establish a process by rule for the review of requests for proposals under section 2, paragraph C and the review of contracts under subsection 7. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.'

Amend the bill in Part A by inserting after section 11 the following:

'Sec. A-12. Initial procurement. Notwithstanding the requirement established in the Maine Revised Statutes, Title 35-A, section 10313 requiring the Department of Energy Resources to initiate and conduct a competitive procurement for renewable and clean resources beginning January 15, 2027, the department shall initiate and conduct that same

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competitive procurement pursuant to the requirements of Title 35-A, section 10313 no later than January 15, 2026.

Sec. A-13. Transition provision. The at-large members of the Finance Authority of Maine serving on the effective date of this Act continue as members of the Finance Authority of Maine until the expiration of their terms under the Maine Revised Statutes, Title 10, section 966, subsection 1.'

Amend the bill in Part B in section 1 on the 2nd and 3rd lines (page 12, lines 24 and 25 in L.D.) by striking out the following: "the joint standing committee of the Legislature having jurisdiction over energy, utilities and technology matters and"

Amend the bill in Part B by inserting after section 2 the following:

'Sec. B-3. Appropriations and allocations. The following appropriations and allocations are made.

ENERGY RESOURCES, DEPARTMENT OF

Department of Energy Resources Z424

Initiative: Transfers 3 Public Service Coordinator II positions from the Governor's Energy Office program, Federal Expenditures Fund within the Executive Department to the Department of Energy Resources program, Federal Expenditures Fund within the Department of Energy Resources and related All Other costs. All transferred positions, including those currently unclassified, are classified positions at the Department of Energy Resources. The designation of each position as either confidential or bargaining unit is based on the classification of the position. Those employees retain their accrued vacation and sick leave balances.

FEDERAL EXPENDITURES FUND	2025-26	2026-27
POSITIONS - LEGISLATIVE COUNT	3,000	3,000
Personal Services	\$434,773	\$470,139
All Other	\$15,995	\$16,336
FEDERAL EXPENDITURES FUND TOTAL	\$450,768	\$486,475

Department of Energy Resources Z424

Initiative: Transfers 2 Public Service Coordinator II positions from the Governor's Energy Office program within the Executive Department to the Department of Energy Resources program within the Department of Energy Resources and related All Other costs. All transferred positions, including those currently unclassified, are classified positions at the Department of Energy Resources. The designation of each position as either confidential or bargaining unit is based on the classification of the position. Those employees retain their accrued vacation and sick leave balances.

FEDERAL EXPENDITURES FUND	2025-26	2026-27
POSITIONS - LEGISLATIVE COUNT	2,000	2,000
Personal Services	\$285,681	\$308,620
All Other	\$11,012	\$11,228
FEDERAL EXPENDITURES FUND TOTAL	\$296,693	\$319,848

Department of Energy Resources Z424

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COMMITTEE AMENDMENT "A" to H.P. 845, L.D. 1270

Initiative: Transfers one limited-period Public Service Coordinator II position from the Governor's Energy Office program within the Executive Department to the Department of Energy Resources program within the Department of Energy Resources and related All Other costs. All transferred positions, including those currently unclassified, are classified positions at the Department of Energy Resources. The designation of each position as either confidential or bargaining unit is based on the classification of the position. Those employees retain their accrued vacation and sick leave balances.

FEDERAL EXPENDITURES FUND	2025-26	2026-27
Personal Services	\$149,092	\$29,856
All Other	\$15,118	\$3,322
FEDERAL EXPENDITURES FUND TOTAL	\$164,210	\$33,178

Department of Energy Resources Z424

Initiative: Transfers 14 positions and all Personal Services and All Other funding from the Governor's Energy Office program within the Executive Department to the Department of Energy Resources program within the Department of Energy Resources within the same fund. All transferred positions, with the exception of the reorganized Commissioner and Deputy Commissioner, including those currently unclassified, are classified positions at the Department of Energy Resources. The designation of each position as either confidential or bargaining unit is based on the classification of the position. Those employees retain their accrued vacation and sick leave balances. Position details are on file with the Bureau of the Budget.

GENERAL FUND	2025-26	2026-27
POSITIONS - LEGISLATIVE COUNT	5,000	5,000
Personal Services	\$801,731	\$854,282
All Other	\$1,659,418	\$1,659,418
GENERAL FUND TOTAL	\$2,461,149	\$2,513,700

FEDERAL EXPENDITURES FUND	2025-26	2026-27
POSITIONS - LEGISLATIVE COUNT	8,000	8,000
Personal Services	\$1,440,429	\$1,521,531
All Other	\$3,240,473	\$3,240,473
FEDERAL EXPENDITURES FUND TOTAL	\$4,680,902	\$4,762,004

OTHER SPECIAL REVENUE FUNDS	2025-26	2026-27
POSITIONS - LEGISLATIVE COUNT	1,000	1,000
Personal Services	\$20,356	\$21,185
All Other	\$397,824	\$402,515
OTHER SPECIAL REVENUE FUNDS TOTAL	\$418,180	\$423,700

Department of Energy Resources Z424**COMMITTEE AMENDMENT**

ROS

COMMITTEE AMENDMENT "A" to H.P. 845, L.D. 1270

Initiative: Transfers new All Other funding from the Governor's Energy Office program, Federal Expenditures Fund within the Executive Department to the Department of Energy Resources program, Federal Expenditures Fund within the Department of Energy Resources.

FEDERAL EXPENDITURES FUND	2025-26	2026-27
All Other	\$12,028,590	\$12,028,590
FEDERAL EXPENDITURES FUND TOTAL	\$12,028,590	\$12,028,590

ENERGY RESOURCES, DEPARTMENT OF DEPARTMENT TOTALS	2025-26	2026-27
GENERAL FUND	\$2,461,149	\$2,513,700
FEDERAL EXPENDITURES FUND	\$17,621,163	\$17,630,095
OTHER SPECIAL REVENUE FUNDS	\$418,180	\$423,700
DEPARTMENT TOTAL - ALL FUNDS	\$20,500,492	\$20,567,495

EXECUTIVE DEPARTMENT**Governor's Energy Office Z122**

Initiative: Transfers new All Other funding from the Governor's Energy Office program, Federal Expenditures Fund within the Executive Department to the Department of Energy Resources program, Federal Expenditures Fund within the Department of Energy Resources.

FEDERAL EXPENDITURES FUND	2025-26	2026-27
All Other	(\$12,028,590)	(\$12,028,590)
FEDERAL EXPENDITURES FUND TOTAL	(\$12,028,590)	(\$12,028,590)

Governor's Energy Office Z122

Initiative: Transfers 3 Public Service Coordinator II positions from the Governor's Energy Office program, Federal Expenditures Fund within the Executive Department to the Department of Energy Resources program, Federal Expenditures Fund within the Department of Energy Resources and related All Other costs. All transferred positions, including those currently unclassified, are classified positions at the Department of Energy Resources. The designation of each position as either confidential or bargaining unit is based on the classification of the position. Those employees retain their accrued vacation and sick leave balances.

FEDERAL EXPENDITURES FUND	2025-26	2026-27
POSITIONS - LEGISLATIVE COUNT	(3,000)	(3,000)
Personal Services	(\$434,773)	(\$470,139)
All Other	(\$15,995)	(\$16,336)
FEDERAL EXPENDITURES FUND TOTAL	(\$450,768)	(\$486,475)

Governor's Energy Office Z122**COMMITTEE AMENDMENT**

ROS

COMMITTEE AMENDMENT "A" to H.P. 845, L.D. 1270

Initiative: Transfers 2 Public Service Coordinator II positions from the Governor's Energy Office program within the Executive Department to the Department of Energy Resources program within the Department of Energy Resources and related All Other costs. All transferred positions, including those currently unclassified, are classified positions at the Department of Energy Resources. The designation of each position as either confidential or bargaining unit is based on the classification of the position. Those employees retain their accrued vacation and sick leave balances.

FEDERAL EXPENDITURES FUND	2025-26	2026-27
POSITIONS - LEGISLATIVE COUNT	(2,000)	(2,000)
Personal Services	(\$285,681)	(\$308,620)
All Other	(\$11,012)	(\$11,228)
FEDERAL EXPENDITURES FUND TOTAL	(\$296,693)	(\$319,848)

Governor's Energy Office Z122

Initiative: Transfers one limited-period Public Service Coordinator II position from the Governor's Energy Office program within the Executive Department to the Department of Energy Resources program within the Department of Energy Resources and related All Other costs. All transferred positions, including those currently unclassified, are classified positions at the Department of Energy Resources. The designation of each position as either confidential or bargaining unit is based on the classification of the position. Those employees retain their accrued vacation and sick leave balances.

FEDERAL EXPENDITURES FUND	2025-26	2026-27
Personal Services	(\$149,092)	(\$29,856)
All Other	(\$15,118)	(\$3,322)
FEDERAL EXPENDITURES FUND TOTAL	(\$164,210)	(\$33,178)

Governor's Energy Office Z122

Initiative: Transfers 14 positions and all Personal Services and All Other funding from the Governor's Energy Office program within the Executive Department to the Department of Energy Resources program within the Department of Energy Resources within the same fund. All transferred positions, with the exception of the reorganized Commissioner and Deputy Commissioner, including those currently unclassified, are classified positions at the Department of Energy Resources. The designation of each position as either confidential or bargaining unit is based on the classification of the position. Those employees retain their accrued vacation and sick leave balances. Position details are on file with the Bureau of the Budget.

GENERAL FUND	2025-26	2026-27
POSITIONS - LEGISLATIVE COUNT	(5,000)	(5,000)
Personal Services	(\$801,731)	(\$854,282)
All Other	(\$1,659,418)	(\$1,659,418)
GENERAL FUND TOTAL	(\$2,461,149)	(\$2,513,700)

FEDERAL EXPENDITURES FUND	2025-26	2026-27
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COMMITTEE AMENDMENT "A" to H.P. 845, L.D. 1270

1	POSITIONS - LEGISLATIVE COUNT	(8,000)	(8,000)
2	Personal Services	(\$1,440,429)	(\$1,521,531)
3	All Other	(\$3,240,473)	(\$3,240,473)
4			
5	FEDERAL EXPENDITURES FUND TOTAL	(\$4,680,902)	(\$4,762,004)
6			
7	OTHER SPECIAL REVENUE FUNDS	2025-26	2026-27
8	POSITIONS - LEGISLATIVE COUNT	(1,000)	(1,000)
9	Personal Services	(\$20,356)	(\$21,185)
10	All Other	(\$397,824)	(\$402,515)
11			
12	OTHER SPECIAL REVENUE FUNDS TOTAL	(\$418,180)	(\$423,700)
13			
14	EXECUTIVE DEPARTMENT		
15	DEPARTMENT TOTALS	2025-26	2026-27
16			
17	GENERAL FUND	(\$2,461,149)	(\$2,513,700)
18	FEDERAL EXPENDITURES FUND	(\$17,621,163)	(\$17,630,095)
19	OTHER SPECIAL REVENUE FUNDS	(\$418,180)	(\$423,700)
20			
21	DEPARTMENT TOTAL - ALL FUNDS	(\$20,500,492)	(\$20,567,495)
22			
23	SECTION TOTALS	2025-26	2026-27
24			
25	GENERAL FUND	\$0	\$0
26	FEDERAL EXPENDITURES FUND	\$0	\$0
27	OTHER SPECIAL REVENUE FUNDS	\$0	\$0
28			
29	SECTION TOTAL - ALL FUNDS	\$0	\$0
30			

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

SUMMARY

This amendment does the following.

1. It makes changes to the required qualifications for an at-large member of the Finance Authority of Maine appointed by the Governor.
2. It makes changes to the qualification requirements for commissioners of the Maine State Housing Authority appointed by the Governor.
3. It changes certain references to the Governor's Energy Office in the Maine Revised Statutes, Title 35-A to the Department of Energy Resources.

COMMITTEE AMENDMENT

4. It amends the Maine Wind Energy Act to direct the Department of Energy Resources to issue the first request for proposals and select resources for contracts. The Public Utilities Commission is responsible for approving such contracts.

5. It requires the Department of Energy Resources, when conducting planning, developing and implementing policies and establishing programs, to address energy burdens.

6. It prohibits the Commissioner of Energy Resources from, for a period of 12 months after the completion of the commissioner's service, participating on behalf of a bidder in the submission of a proposal in response to a competitive solicitation conducted by the Department of Energy Resources.

7. It requires the Department of Energy Resources, when preparing the comprehensive state energy plan, to seek input regarding issues faced by socially vulnerable counties and communities.

8. It requires the Department of Energy Resources, to the extent practicable while protecting the energy security of the State, to submit the state energy security plan to the joint standing committee of the Legislature having jurisdiction over energy matters.

9. It requires the Department of Energy Resources to ensure that the State's energy goals, policies and plans align with and support the achievement of greenhouse gas emissions obligations and climate goals.

10. It removes the specific date by which the Department of Energy Resources must develop the Distributed Solar and Energy Storage Program.

11. It makes the failure to file or the inclusion of false or misleading information in reports related to petroleum product inventories and deliveries a civil violation and removes the provisions of the bill making certain violations of reporting requirements criminal offenses.

12. It makes changes to the Department of Energy Resources' authority to initiate and conduct procurements for energy, associated environmental attributes or other services from renewable and clean resources, including establishing objectives and requirements for the department's conduct of competitive solicitations, requiring the department to consult with the Office of the Public Advocate in developing requests for proposals and establishing requirements for the review of the request for proposals and approval of contracts by the Public Utilities Commission. It requires that, if the department selects a project for a contract for energy, associated environmental attributes or other services from renewable and clean resources involving the construction of the project, contractors and subcontractors involved in the project's construction must adhere to certain community and workforce enhancement standards and apprenticeship standards. The amendment provides for the confidential treatment of proposals submitted in response to a solicitation conducted by the department and materials created or submitted during related contract negotiations. The amendment also requires the department to conduct the first procurement by January 15, 2026.

13. It removes the joint standing committee of the Legislature having jurisdiction over energy, utilities and technology matters from the review to be conducted by staff from the Office of Policy and Legal Analysis and the Office of the Revisor of Statutes of those parts of the Maine Revised Statutes governing the administration and activities of the Governor's

1003

COMMITTEE AMENDMENT "~~A~~" to H.P. 845, L.D. 1270

1 Energy Office to correct any errors and inconsistencies in the law that result from this
2 legislation.

3

FISCAL NOTE REQUIRED

4

(See attached)

**132nd MAINE LEGISLATURE****LD 1270****LR 1752(02)****An Act to Establish the Department of Energy Resources****Fiscal Note for Bill as Amended by Committee Amendment "A" (H-746)****Committee: Energy, Utilities and Technology****Fiscal Note Required: Yes**

Fiscal Note

Legislative Cost

	FY 2025-26	FY 2026-27	Projections FY 2027-28	Projections FY 2028-29
Net Cost (Savings)				
General Fund	\$0	\$0	\$0	\$0
Appropriations/Allocations				
General Fund	\$0	\$0	\$0	\$0
Federal Expenditures Fund	\$0	\$0	\$0	\$0
Other Special Revenue Funds	\$0	\$0	\$0	\$0

Legislative Cost/Study

This bill requires the Office of Policy and Legal Analysis and the Office of the Revisor of Statutes to work with the Department of Energy Resources to review those parts of the Maine Revised Statutes governing the administration and activities of the Governor's Energy Office to develop legislation to effect the transition of responsibilities to the Department of Energy Resources. This work can be absorbed within existing staff and budget resources but it will likely delay the completion of other work normally performed by those offices when the Legislature is not in session.

Fiscal Detail and Notes

This bill eliminates the Governor's Energy Office (GEO), establishes the Department of Energy Resources (DER), and transfers the GEO's staff and duties to DER. The reorganization will result in the following net-neutral budget adjustments in fiscal year 2025-26:

Elimination of funding to the GEO includes:

General Fund deappropriations	\$2,461,149
Federal Expenditures Fund deallocations	\$4,680,902
Other Special Revenue Funds deallocations	\$418,180

Corresponding adjustments to the newly created Department of Energy will include

General Fund appropriations	\$2,461,149
Federal Expenditures Fund allocations	\$4,680,902
Other Special Revenue Funds allocations	\$418,180

Any additional costs to the Office of Policy Innovation and the Future from the provisions of this bill are expected to be minor and can be absorbed within existing budgeted resources.

The appropriations and allocations in this bill are also included in Part A of the proposed biennial budget. If they are enacted through the budget, the appropriations and allocations in this bill will no longer be necessary.