

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND THIRTY-SECOND LEGISLATURE

SECOND REGULAR SESSION
JANUARY 7, 2026 to APRIL 29, 2026

THE GENERAL EFFECTIVE DATE FOR
SECOND REGULAR SESSION
NONEMERGENCY LAWS IS
JULY 29, 2026

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IN ACCORDANCE WITH THE MAINE REVISED STATUTES,
TITLE 3, SECTION 163-A, SUBSECTION 4.

Augusta, Maine
2026

quate resources to administer and enforce the provisions of its ordinances. In determining whether this criterion is met, the commissioner may consider any specific and adequate technical assistance that is provided by a regional council;

B. The municipality has adopted a site plan review ordinance. In determining the adequacy of the ordinance, the commissioner may consider model site plan review ordinances commonly used by municipalities in this State that address the issues reviewed under applicable provisions of this article prior to July 1, 1997;

C. The municipality has adopted subdivision regulations. In determining the adequacy of these regulations, the commissioner may consider model subdivision regulations commonly used by municipalities in this State; and

D. The former State Planning Office or the Department of Agriculture, Conservation and Forestry has determined that the municipality has a comprehensive land use plan and land use ordinances or zoning ordinances that are consistent with Title 30-A, chapter 187 in providing for the protection of wildlife habitat, fisheries, unusual natural areas and archaeological and historic sites.

The department, in consultation with the Department of Agriculture, Conservation and Forestry, shall publish a list of those municipalities determined to have capacity pursuant to this subsection. This list need not be established by rule and must be published by January 1st of each year. The list must specify whether a municipality has capacity to review structures or subdivisions of lots for single family, single detached, residential housing structures containing up to 4 dwelling units, with or without one accessory dwelling unit as defined in Title 30-A, section 4301, subsection 1-C, common areas or open space or both types of development. The department may recognize joint arrangements among municipalities and regional organizations in determining whether the requirements of this subsection are met. The department may review municipalities that are determined to have capacity pursuant to this subsection for compliance with the criteria in paragraphs A to D, and if the department determines that a municipality does not meet the criteria, the department may modify or remove the determination of capacity.

A modification to a development that was reviewed by a municipality and exempted pursuant to this subsection or was reviewed by the department prior to a determination that a municipality has capacity pursuant to this subsection is exempt as long as the modification will not cause the total area of the development to exceed the maximum acreage specified in this subsection for that type of development or, based upon information submitted by the municipality concerning the development and modification, the department determines that

the modification may be adequately reviewed by the municipality.

Sec. 5. 38 MRSA §489-E, first ¶, as repealed and replaced by PL 2011, c. 359, §4, is amended to read:

Rules adopted by the department pursuant to this article are routine technical rules, as defined in Title 5, chapter 375, subchapter 2-A, including rules to establish a permit by rule option in accordance with section 344, subsection 7, except that rules adopted by the department after January 1, 2010 pursuant to section 484, subsections 1, 3, 4, 4-A, 5, 6 and 7 are major substantive rules as defined in Title 5, chapter 375, subchapter 2-A.

See title page for effective date.

CHAPTER 555

S.P. 754 - L.D. 1936

An Act Regarding the Allocation of Net Energy Billing Costs and Long-term Contract Costs and Benefits

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

Sec. 1. 35-A MRSA §3209, sub-§5, ¶B, as enacted by PL 2025, c. 391, §2, is amended to read:

~~B. Notwithstanding section 3209-C, subsection 2, paragraph B and section 3210-F, subsection 3, allocates~~ Allocates the combined post-restructuring stranded costs, as determined by the commission, for investor-owned transmission and distribution utilities in the State to each customer class group described in paragraph A, based on each group's pro rata share of statewide post-restructuring stranded costs based on total retail kilowatt-hour energy sales to those customers;

Sec. 2. 35-A MRSA §3209, sub-§6, as enacted by PL 2025, c. 391, §3, is amended to read:

6. Post-restructuring stranded cost allocation; rate design. For post-restructuring stranded cost allocations and rate designs applicable on or after July 1, 2028, the commission shall by order establish such cost allocations and rate designs applicable for the following 3-year period in accordance with section 3209-C, subsection 2, paragraph C and section 3209-F, subsection 3, subject to annual and other necessary reconciliations, and ensure the promotion of beneficial electrification in every customer class consistent with section 3804.

Sec. 3. 35-A MRSA §3209-C, sub-§2, ¶B, as enacted by PL 2023, c. 411, §5, is amended to read:

~~B. The commission shall allocate to each investor-owned transmission and distribution utility its pro rata share of net energy billing costs. If the com-~~

mission finds that a benefit of distributed generation under net energy billing provides a monetized net financial benefit to an investor-owned transmission and distribution utility that the commission does not otherwise account for when setting rates for the utility, the net financial benefit must be applied to offset the net energy billing costs allocated under this ~~paragraph~~ subsection. ~~The allocation must be based on each utility's total retail kilowatt-hour energy sales to ratepayers that pay net energy billing costs. The commission may determine the means to be used for the allocation required under this subsection, and those means may include the direct transfer of funds between transmission and distribution utilities.~~

Sec. 4. 35-A MRSA §3209-C, sub-§2, ¶C is enacted to read:

C. For post-restructuring stranded cost allocations and rate designs applicable on or after July 1, 2028, the commission shall allocate net energy billing costs by aggregating similar classes of customers as determined by the commission across investor-owned transmission and distribution utilities and ensure that costs and benefits are equitably distributed.

Sec. 5. 35-A MRSA §3210-F, as enacted by PL 2013, c. 454, §2, is amended to read:

§3210-F. Allocation of costs and benefits of long-term energy contracts

The commission shall ensure that all eligible costs and benefits associated with a long-term ~~energy~~ contract are allocated to ratepayers in accordance with this section.

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

A. "Eligible costs and benefits" means the net amount of all costs and direct financial benefits associated with long-term ~~energy~~ contracts entered into by investor-owned transmission and distribution utilities, including but not limited to any effects on a utility's cost of capital as a result of these contracts.

B. "Long-term ~~energy~~ contract" means a contract with an investor-owned transmission and distribution utility entered into under section 3210-C ~~or~~ section 3604 or section 10313, subsection 7.

2. Eligible costs and benefits. The commission shall determine the eligible costs and benefits of a long-term ~~energy~~ contract annually.

3. Allocation of eligible costs and benefits. ~~The commission shall annually allocate to each investor-owned transmission and distribution utility its pro rata share of eligible costs and benefits as determined under~~

~~subsection 2. The allocation must be based on each utility's total retail kilowatt-hour energy sales to ratepayers that receive the benefits and pay the costs of long-term energy contracts. The commission may determine the means to be used for the allocation required under this section, which may include the direct transfer of funds between investor-owned transmission and distribution utilities. For post-restructuring stranded cost allocations and rate designs applicable on or after July 1, 2028, the commission shall allocate eligible costs and benefits by aggregating similar classes of customers as determined by the commission across investor-owned transmission and distribution utilities and ensure that costs and benefits are distributed equitably.~~

4. Rules. The commission may adopt rules to implement this section. Rules adopted pursuant to this subsection are routine technical rules as defined by Title 5, chapter 375, subchapter 2-A.

Sec. 6. 35-A MRSA §3483, sub-§3, as enacted by PL 2019, c. 478, Pt. B, §1, is amended to read:

3. Standard buyer cost allocation. The commission and each standard buyer designated pursuant to subsection 1 shall implement a transparent mechanism to track and recover or distribute the eligible costs and benefits under this subsection incurred by procuring distributed generation resources pursuant to this chapter. These eligible costs and benefits must be reviewed by the commission annually and allocated to and recovered from customers of the investor-owned transmission and distribution utility in whose territory the distributed generation resource is located through a process established by rule of the commission. The process established by the commission must be similar to the allocation of costs and benefits of long-term ~~energy~~ contracts in section 3210-F. Eligible costs and benefits include:

- A. Incremental costs of serving as the standard buyer;
- B. All payments or bill credits to customers, subscribers and project sponsors under each procurement pursuant to sections 3485 and 3486; and
- C. All revenue from sale of the output of distributed generation resources procured pursuant to this chapter.

See title page for effective date.