# MAINE STATE LEGISLATURE

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## 125th MAINE LEGISLATURE

### FIRST REGULAR SESSION-2011

**Legislative Document** 

No. 183

H.P. 160

House of Representatives, January 27, 2011

An Act Relating To Net Energy Billing for Solar Energy Users

(EMERGENCY)

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

Heathfl Ruit
HEATHER J.R. PRIEST
Clerk

Presented by Representative EVES of North Berwick. Cosponsored by Senator BARTLETT of Cumberland and

Representatives: HINCK of Portland, LUCHINI of Ellsworth, WAGNER of Lewiston.

- Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and
- Whereas, it is necessary to immediately ensure that persons who generate electricity by use of solar arrays and installations are treated fairly; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

#### Sec. 1. 35-A MRSA §3209-A is enacted to read:

#### §3209-A. Net energy billing

- <u>1. Definitions.</u> As used in this section, unless the context otherwise indicates, the following terms have the following meanings.
  - A. "Eligible customer" means a customer of a transmission and distribution utility who owns or has legal rights to an eligible generator.
  - B. "Eligible generator" means an electricity generator that meets size, location, fuel use or efficiency qualifications established by the commission by rule.
    - C. "Net energy billing" means a metering and billing practice under which an eligible customer is billed on the basis of net energy used by that customer, taking into account electricity generated by the eligible customer from an eligible generator and electricity delivered to the eligible customer by the transmission and distribution utility.
- 2. Net energy billing option. The commission by rule shall permit eligible customers to elect net energy billing. The rules must allow an eligible customer to obtain credit for electricity generated by the eligible customer's eligible generator in excess of that used by the eligible customer during any billing period. The commission may establish reasonable limits on the amount of credit that a customer may accumulate or the period of time over which credits may accumulate, except that in the case of an eligible customer with an eligible generator that relies on solar arrays and installations, the commission may not limit the amount of credit that the eligible customer may accumulate or the period of time over which credits may accumulate.
- 3. Rules. Rules adopted pursuant to this section are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.
- **Emergency clause.** In view of the emergency cited in the preamble, this legislation takes effect when approved.

1 SUMMARY

 Under current rules of the Public Utilities Commission, adopted pursuant to various laws governing the commission and designed to encourage the use of renewable resources, a customer who owns a small renewable or highly efficient generator may elect net energy billing under which the customer is billed on the basis of net energy used by that customer, taking into account electricity generated by the customer and electricity delivered to the customer by the transmission and distribution utility. The rules allow the customer to obtain credit for electricity generated by the customer's generator in excess of that used by the customer during any billing period, but only over a period of 12 months. At the end of the 12-month period, any accumulated unused credits are lost.

This bill requires the commission to permit certain customers to choose net energy billing and prohibits the commission from limiting the amount of credit that a customer may earn if the customer's generator relies on solar arrays and installations.

The net effect of this bill is to remove the commission's authority to limit the amount of credit that a net-energy-billed customer may earn if the customer's generator relies on solar arrays and installations.