

# MAINE STATE LEGISLATURE

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# 127th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2015

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Legislative Document

No. 273

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H.P. 191

House of Representatives, February 5, 2015

**An Act To Encourage and Enhance the Future of Waste-to-energy  
Facilities by Establishing a Portfolio Requirement for Electricity  
from Waste Energy Resources**

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

A handwritten signature in cursive script that reads "Robert B. Hunt".

ROBERT B. HUNT  
Clerk

Presented by Representative CAMPBELL of Orrington.  
Cosponsored by Senator SAVIELLO of Franklin and  
Representatives: CHIPMAN of Portland, HARLOW of Portland, HICKMAN of Winthrop,  
MARTIN of Eagle Lake, SHORT of Pittsfield, Senator: DILL of Penobscot.

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 enacted by PL 2009, c. 542, §3, is  
3 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; ~~or~~

13 (f) Biomass generators that are fueled by wood or wood waste, landfill gas  
14 or anaerobic digestion of agricultural products, by-products or wastes; or

15 (g) Waste energy resources; or

16 (2) That relies on wind power installations.

17 **Sec. 2. 35-A MRSA §3210, sub-§2, ¶D** is enacted to read:

18 D. "Waste energy resource" means a pyrolytic or other waste system that is a source  
19 of electrical generation and:

20 (1) That is fueled by municipal solid waste in conjunction with recycling;

21 (2) Whose total power production capacity does not exceed 35 megawatts;

22 (3) That is licensed to comply with the air emission requirement levels for  
23 resource recovery facilities established pursuant to Title 38, section 585,  
24 including, but not limited to, standards for mercury established pursuant to Title  
25 38, section 585-B, subsection 5;

26 (4) That complies with all applicable licensing requirements for solid waste  
27 facilities as established pursuant to Title 38, section 1310-N; and

28 (5) Whose residuals are transported to a landfill that is licensed to meet at least  
29 the performance standards and siting criteria established by rules adopted  
30 pursuant to Title 38, section 1304, including, but not limited to, standards  
31 prohibiting contamination of groundwater outside the solid waste boundary of  
32 landfills.

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

34 **3-B. Portfolio requirements; waste energy resources.** Portfolio requirements for  
35 waste energy resources are governed by this subsection.

1           A. Beginning July 1, 2016, as a condition of licensing pursuant to section 3203, a  
2           competitive electricity provider in this State must demonstrate in a manner  
3           satisfactory to the commission that no less than 3.5% of its portfolio of supply  
4           sources for retail electricity sales in this State is accounted for by waste energy  
5           resources. Waste energy resources used to satisfy the requirements of this paragraph  
6           may not be used to satisfy the requirements of subsection 3.

7           B. Retail electricity sales pursuant to a supply contract or standard-offer service  
8           arrangement executed by a competitive electricity provider that is in effect on the  
9           effective date of this subsection are exempt from the requirements of this subsection  
10          until the end date of the current term of the supply contract or standard-offer service  
11          arrangement.

12          The commission shall adopt rules to implement this subsection. Rules adopted pursuant  
13          to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter  
14          2-A.

15          **Sec. 4. 35-A MRSA §3210, sub-§8**, as amended by PL 2009, c. 329, Pt. A, §2, is  
16 further amended to read:

17           **8. Credit trading.** The commission shall allow competitive electricity providers to  
18 satisfy the portfolio requirements of subsections 3 ~~and~~, 3-A and 3-B through the use of  
19 renewable energy credits if the commission determines that a reliable system of electrical  
20 attribute trading exists. When renewable energy credits are used to satisfy the portfolio  
21 requirements of subsections 3 ~~and~~, 3-A and 3-B, the value of a renewable energy credit  
22 for electricity generated by a community-based renewable energy project, as defined in  
23 section 3602, that is participating in the community-based renewable energy pilot  
24 program established in section 3603 and elects the renewable energy credit multiplier  
25 under section 3605 is 150% of the amount of the electricity.

26          **Sec. 5. 35-A MRSA §3210, sub-§10** is enacted to read:

27           **10. Alternative compliance payment; portfolio requirements for waste energy**  
28 **resources.** The commission shall allow competitive electricity providers to satisfy the  
29 portfolio requirements for waste energy resources under subsection 3-B through an  
30 alternative compliance payment mechanism in accordance with this subsection.

31           A. The commission shall set the alternative compliance payment rate by rule and  
32 shall publish the alternative compliance payment rate by January 31st of each year. In  
33 setting the rate, the commission shall take into account prevailing market prices,  
34 standard-offer service prices for electricity and reliance on alternative compliance  
35 payments to meet the requirements of subsection 3-B.

36           B. The commission shall collect alternative compliance payments made by  
37 competitive electricity providers and shall deposit all funds collected under this  
38 paragraph in the Energy Efficiency and Renewable Resource Fund established under  
39 section 10121, subsection 2 to be used to fund research, development and  
40 demonstration projects relating to renewable energy technologies and to fund rebates  
41 for cost-effective renewable energy technologies.

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

#### 4 **SUMMARY**

5 Current law establishes as a policy of the State the encouragement of the generation  
6 of electricity from renewable and efficient resources by requiring that each competitive  
7 electricity provider in this State demonstrate that no less than 30% of its portfolio of  
8 supply sources for retail electricity sales in this State is accounted for by eligible  
9 resources. This bill implements that policy by stimulating demand for electricity from  
10 generators fueled by municipal solid waste in conjunction with recycling.

11 This bill amends the law in the following ways.

12 1. It amends the definition of "renewable capacity resource" to add waste energy  
13 resources.

14 2. It defines "waste energy resource" as a source of electrical generation that is  
15 fueled by municipal solid waste in conjunction with recycling and whose total power  
16 capacity does not exceed 35 megawatts. In addition, the waste energy resource would  
17 have to meet Maine's air emissions standards for resource recovery facilities and licensing  
18 standards for solid waste facilities and ensure that residuals from the waste energy  
19 resource are disposed of at a landfill meeting Maine's licensing standards.

20 3. It establishes a 3.5% portfolio requirement for electricity from waste energy  
21 resources.

22 4. It allows competitive electricity providers to meet the portfolio requirements for  
23 waste energy resources through the use of renewable energy credits or an alternative  
24 compliance payment to be set by the Public Utilities Commission.