

# MAINE STATE LEGISLATURE

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R O F S

L.D. 1310

Date:

6/2/15

(Filing No. H-269)

Majority

ENERGY, UTILITIES AND TECHNOLOGY

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
127TH LEGISLATURE  
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 888, L.D. 1310, Bill, "An Act To Amend the Community-based Renewable Energy Program"

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

'Sec. 1. 35-A MRSA §3602, sub-§3-A is enacted to read:

3-A. Net generating capacity. "Net generating capacity" means the output of a generating facility delivered to the transmission and distribution utility system. "Net generating capacity" does not include any energy consumed by the generator to operate the electricity generating facility and energy consumed for plant lighting, power and auxiliary facilities.

Sec. 2. 35-A MRSA §3603, sub-§2, as amended by PL 2013, c. 454, §3, is further amended to read:

2. Program scope; limits on generating capacity. The commission shall limit participation in the program in accordance with this subsection.

A. The ~~installed~~ net generating capacity of a program participant may not exceed 10 megawatts.

B. The total ~~installed~~ net generating capacity of all program participants combined may not exceed 50 megawatts.

D. Of the 50-megawatt limit on total net generating capacity under paragraph B, 10 2 megawatts must be reserved at the outset of the program for program participants that:

(1) Have ~~an installed~~ a net generating capacity of less than 100 kilowatts; or

(2) Are located in the service territory of a consumer-owned transmission and distribution utility.

The commission may modify the amount of net generating capacity reserved under this paragraph based on program experience.

COMMITTEE AMENDMENT

1 E. The total ~~installed~~ net generating capacity of program participants that receive the  
2 renewable energy credit multiplier incentive under section 3605 may not exceed 10  
3 megawatts.

4 **Sec. 3. 35-A MRSA §3609**, as enacted by PL 2009, c. 329, Pt. A, §4, is repealed.

5 **Sec. 4. 35-A MRSA §3610** is enacted to read:

6 **§3610. Project deadline; completion deadline**

7 The commission may not issue an order after December 31, 2015 directing an  
8 investor-owned transmission and distribution utility to enter into a long-term contract  
9 under this chapter nor allow a consumer-owned transmission and distribution utility to  
10 enter into a long-term contract under this chapter. All community-based renewable  
11 energy projects that have been selected for a long-term contract must become operational  
12 and commence generating electricity by December 31, 2018.

13 **Sec. 5. Viability assessment; request for proposals.** The Public Utilities  
14 Commission shall review all certified program participant projects under the Maine  
15 Revised Statutes, Title 35-A, section 3603 that have not yet reached commercial  
16 operations to determine whether the projects are reasonably likely to achieve commercial  
17 operations within a 3-year period. For those projects the commission determines will not  
18 be viable within a 3-year period, the commission must revoke any contract awarded, but  
19 the project may still remain certified. To the extent there is less capacity remaining than is  
20 allowed under Title 35-A, section 3603, subsection 2 after the removal of nonviable  
21 projects, the commission shall conduct an expedited request for proposals to select  
22 community-based renewable energy projects to become program participants and enter  
23 into long-term contracts. A project under this process may not elect to choose the  
24 renewable energy credit multiplier incentive under Title 35-A, section 3605, and those  
25 projects that are operational and have elected the renewable energy credit multiplier do  
26 not count towards the 50-megawatt cap on net generating capacity under Title 35-A,  
27 section 3603, subsection 2. The commission shall select the projects that provide the most  
28 benefit to ratepayers and that have contract pricing levels below 10¢ per kilowatt hour  
29 within each contract year. To the maximum extent practicable, the commission must  
30 select projects to provide for a total net generating capacity for all projects to meet the  
31 maximum allowance under Title 35-A, section 3603, subsection 2 of 50 megawatts.'

32 **SUMMARY**

33 This amendment is the majority report of the committee and strikes and replaces the  
34 bill. The amendment provides a definition for the term "net generating capacity." The  
35 amendment changes the limits on generating capacity from installed generating capacity  
36 to net generating capacity. The amendment reduces the reserved amount of megawatts  
37 from 10 to 2 for program participants that have a net generating capacity of less than 100  
38 kilowatts or are located in the service territory of a consumer-owned transmission and  
39 distribution utility. The amendment removes the scheduled repeal of the law regulating  
40 community-based renewable energy and clarifies that the Public Utilities Commission  
41 may not issue an order after December 31, 2015 directing an investor-owned transmission  
42 and distribution utility to enter into any long-term contract or allow a consumer-owned  
43 transmission and distribution utility to enter into any long-term contract. The amendment

1 specifies that all community-based renewable energy projects that have been selected for  
2 a long-term contract must become operational and commence generating electricity by  
3 December 31, 2018.

4 The amendment requires the commission to review all certified program participant  
5 projects that have not yet reached commercial operations to determine whether projects  
6 are reasonably likely to achieve commercial operations within a 3-year time period. This  
7 amendment provides that those projects determined not viable remain certified, but any  
8 contract that had been issued is to be revoked. The amendment allows the commission to  
9 conduct an expedited request for proposals to select community-based renewable energy  
10 projects to become program participants and enter into long-term contracts, if there is  
11 capacity remaining after the removal of nonviable projects. The amendment specifies  
12 that only those projects that provide the most benefit to ratepayers and have contract  
13 pricing below 10¢ per kilowatt hour within each contract year may be chosen. Lastly, this  
14 amendment prohibits a project under this process from choosing the renewable energy  
15 credit multiplier incentive. Those projects that are operational and have elected the  
16 renewable energy credit multiplier do not count towards the 50-megawatt cap on net  
17 generating capacity.

**FISCAL NOTE REQUIRED**  
**(See attached)**



Approved: 05/29/15 *mac*

# 127th MAINE LEGISLATURE

LD 1310

LR 1719(02)

**An Act To Amend the Community-based Renewable Energy Program**

**Fiscal Note for Bill as Amended by Committee Amendment**

*A (H-269)*

**Committee: Energy, Utilities and Technology**

**Fiscal Note Required: Yes**

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## Fiscal Note

Minor cost increase - Other Special Revenue Funds

### Fiscal Detail and Notes

The bill eliminates the December 31, 2015 repeal date for the Community-based Renewable Energy Act and requires the Public Utilities Commission (PUC) to review certain certified program participant projects to determine whether they are reasonably likely to achieve commercial operations within a 3-year time period. Any additional costs to the PUC are expected to be minor and can be absorbed within existing budgeted resources.