

MAINE STATE LEGISLATURE

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SA
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Rep B

1

L.D. 1350

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Date: 4/12/22

(Filing No. S-545)

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REPORT B
ENERGY, UTILITIES AND TECHNOLOGY

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Reproduced and distributed under the direction of the Secretary of the Senate.

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STATE OF MAINE

6

SENATE

7

130TH LEGISLATURE

8

SECOND REGULAR SESSION

9

COMMITTEE AMENDMENT "B" to S.P. 432, L.D. 1350, "An Act To Expand
10 Maine's Clean Energy Economy"

11

Amend the bill by striking out the title and substituting the following:

12

'An Act To Establish an Alternative Compliance Payment for Class II Resources'

13

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

15

**'Sec. 1. 35-A MRSA §3210, sub-§2, ¶A-1, as amended by PL 2019, c. 477, §1, is
16 further amended to read:**

17

A-1. "Alternative compliance payment rate" means a certain dollar amount per
18 kilowatt-hour set by the commission that a competitive electricity provider may pay to
19 the commission to satisfy the portfolio requirements of subsections 3, 3-A, 3-B and
20 3-C.

21

**Sec. 2. 35-A MRSA §3210, sub-§9, as amended by PL 2021, c. 199, §1, is further
22 amended to read:**

23

9. Alternative compliance payment. The commission shall allow competitive
24 electricity providers to satisfy the portfolio requirements for Class I resources under
25 subsection 3-A, Class IA resources under subsection 3-B and, thermal renewable energy
26 credits under subsection 3-C and Class II resources under subsection 3 through an
27 alternative compliance payment mechanism in accordance with this subsection.

28

A. The commission shall set the alternative compliance payment ~~rate~~ rates by rule,
29 ~~which may not be greater than \$50 for the requirements under subsections 3, 3-A, 3-B~~
30 ~~and 3-C, and shall publish the alternative compliance payment rate rates by January~~
31 ~~31st of each year. In setting the alternative compliance payment rates, the commission~~
32 ~~shall balance the costs to ratepayers in the State with the interest of renewable resource~~
33 ~~investors in receiving a reasonable return on their investment. In setting the rate rates,~~
34 the commission shall take into account prevailing market prices, standard-offer service
35 prices for electricity, reliance on alternative compliance payments to meet the

COMMITTEE AMENDMENT

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requirements of subsections 3, 3-A, 3-B and 3-C and investment in Class I and Class IA resources and thermal renewable energy credits in the State during the previous calendar year, including investments that may affect the availability or price of Class II resources.

B. The commission shall collect alternative compliance payments to meet the requirements of subsections 3, 3-A and 3-B made by competitive electricity providers and shall deposit all funds collected under this paragraph in the Energy Efficiency and Renewable Resource Fund established under section 10121, subsection 2 to be used to fund research, development and demonstration projects relating to renewable energy technologies and to fund rebates for cost-effective renewable energy technologies.

C. The commission shall collect alternative compliance payments to meet the requirements of subsection 3-C made by competitive electricity providers and shall deposit all funds collected under this paragraph in the Thermal Energy Investment Fund established under section 10128, subsection 2 to be used to fund incentives and low-interest or no-interest loans to businesses, municipalities, educational institutions and nonprofit entities in the State for the installation of new thermal energy-derived projects.

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

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

SUMMARY

This amendment replaces the bill. It requires the Public Utilities Commission to establish an alternative compliance payment rate by rule for competitive electricity providers to satisfy the portfolio requirements for Class I resources, Class IA resources, Class II resources and thermal renewable energy credits. In establishing the alternative compliance payment rates, the amendment adds that the commission must balance the interests of resource investors with the interests of ratepayers in addition to other factors.

FISCAL NOTE REQUIRED

(See attached)



130th MAINE LEGISLATURE

LD 1350

LR 1499(04)

An Act To Expand Maine's Clean Energy Economy

Fiscal Note for Bill as Amended by Committee Amendment "B" (S-545)
Committee: Energy, Utilities and Technology
Fiscal Note Required: Yes

Fiscal Note

Minor cost increase - Other Special Revenue Funds

Fiscal Detail and Notes

Any additional costs to the Public Utilities Commission as a result of the provisions of this bill are anticipated to be minor and can be absorbed within existing budgeted resources.