

MAINE STATE LEGISLATURE

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131st MAINE LEGISLATURE

FIRST REGULAR SESSION-2023

Legislative Document

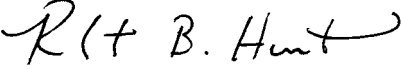
No. 952

H.P. 599

House of Representatives, March 2, 2023

An Act to Create a 21st-Century Electric Grid

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


ROBERT B. HUNT
Clerk

Presented by Representative RUNTE of York.

Cosponsored by Representative: ZEIGLER of Montville, Senator: VITELLI of Sagadahoc.

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

2 **CONCEPT DRAFT**

3 **SUMMARY**

4 This bill is a concept draft pursuant to Joint Rule 208.

5 This bill would establish the Maine Independent Distribution System Operators or
6 "DSO," which would integrate and consolidate efforts that now span several state agencies
7 and ensure all electric grids in Maine are operated to optimize efficiency, equity, reliability
8 and customer service. The DSO, which would report to the Public Utilities Commission,
9 would accomplish this by overseeing integrated system planning for all electric grids in
10 Maine and interconnecting the systems.

11 The DSO would have the same roles as the independent system operator of the New
12 England region, or "ISO-NE": electric grid operation, market administration and power
13 system planning.

14 **1. Scope of duties.** The scope of the DSO's duties would include the following:

15 A. Act as the sole interface with the ISO-NE;

16 B. Operate an open market for distributed generation, functioning similarly to how
17 ISO-NE's wholesale power market operates. Such a market would provide market-
18 based incentives for growth in renewable distributed energy resources, such as solar,
19 wind, biomass and storage and microgrids. The market would not simply be for the
20 commodity supply value of the electricity but would include its nonenergy values;

21 C. Review and approve integrated system designs for all utilities to optimize operation,
22 meet electric grid modernization goals and provide the basis for revenue requirements
23 related to system upgrade capital recovery;

24 D. Assume the role of the nonwires alternative coordinator for the Office of the Public
25 Advocate;

26 E. Establish and manage energy efficiency programs;

27 F. Operate demand response and demand management programs;

28 G. Operate vehicle-to-grid systems, including charging management and charging
29 stations, that would allow electric vehicle batteries to function as storage devices,
30 charging during times of low demand on the electric grid and providing that stored
31 energy to the electric grid during times of high demand; and

32 H. Acquire and share real-time data used to operate earnings adjustment mechanisms
33 for investor-owned utilities in order to optimize demand management and energy
34 efficiency programs.

35 **2. Analysis.** Prior to establishing the DSO, this bill would require the Efficiency
36 Maine Trust to oversee an analysis by a 3rd-party consultant to:

37 A. Identify costs and benefits of creating the DSO;

38 B. Determine what steps would be required to develop the DSO;

1 C. Assess the DSO's role in accelerating the achievement of Maine's climate action
2 goals and growth in distributed energy resources;

3 D. Identify potential improvements in system reliability and performance;

4 E. Incorporate a system design that ensures energy equity; and

5 F. Estimate the staffing and budget needed for operation.

6 The analysis would be required to be completed by January 2024. The bill would also
7 provide funding to the Efficiency Maine Trust for the analysis.