

MAINE STATE LEGISLATURE

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Date 6/20/23 Majority

L D 1408
(Filing No H-636)

ENERGY, UTILITIES AND TECHNOLOGY

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
131ST LEGISLATURE
FIRST SPECIAL SESSION**

COMMITTEE AMENDMENT "4" to HP 904, L D 1408, "An Act to Reduce
Maine's Dependence on Fossil Fuels and Carbon Footprint for Energy Production Using
Waste Wood Fuel"

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

Sec. 1. 12 MRSA §8884, sub-§5 is enacted to read

5. Report. By June 1st of each year, the bureau shall provide a report compiling the
wood processor reports received in accordance with subsection 1 to the joint standing
committee of the Legislature having jurisdiction over energy matters

Sec. 2. 35-A MRSA §3622, sub-§2, as enacted by PL 2021, c 604, §3, is amended
to read

2. Net generating capacity. "Net generating capacity" means the electric output of
an electricity 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, energy provided behind the meter to facilities
adjacent to the electricity generating facility or any energy consumed for facility lighting,
power and auxiliary facilities

Sec. 3. 35-A MRSA §3623, sub-§2, ¶A, as enacted by PL 2021, c 604, §3, is
amended to read

A The net generating capacity of a program participant may not be less than 3
megawatts or more than ~~10~~ 15 megawatts

Sec. 4. 35-A MRSA §3623, sub-§2, ¶B, as enacted by PL 2021, c 604, §3, is
amended to read

B The total net generating capacity of all program participants combined may not
exceed ~~20~~ 30 megawatts

COMMITTEE AMENDMENT

ROS

1 The commission may modify the amount of total net generating capacity stipulated
2 under this paragraph based on program experience

3 **Sec. 5. 35-A MRSA §3623, sub-§3, ¶D**, as enacted by PL 2021, c 604, §3, is
4 amended to read

5 D Be highly efficient, as determined by the commission on a technology-specific
6 basis, and

7 **Sec. 6. 35-A MRSA §3624, sub-§1**, as enacted by PL 2021, c 604, §3, is repealed
8 and the following enacted in its place

9 **1. Investor-owned transmission and distribution utilities; required participation.**
10 Notwithstanding section 3204, the commission may direct an investor-owned transmission
11 and distribution utility to enter into long-term contracts for energy with one or more
12 program participants if the program participant is

13 A Located within the service territory of the investor-owned transmission and
14 distribution utility; or

15 B Located within the service territory of a consumer-owned transmission and
16 distribution utility if

17 (1) The program participant delivers energy to a location within the service
18 territory of the investor-owned transmission and distribution utility,

19 (2) The program participant does not sell energy to the consumer-owned
20 transmission and distribution utility in whose territory the program participant is
21 located, and

22 (3) The consumer-owned transmission and distribution utility consents to the sale
23 and transmission of that energy pursuant to a long-term contract

24 The commission may direct investor-owned transmission and distribution utilities to enter
25 into contracts under this subsection only as agents for their customers and only in
26 accordance with this section An investor-owned transmission and distribution utility shall
27 sell energy pursuant to this subsection into the wholesale electricity market or take other
28 action relative to that energy directed by the commission

29 **Sec. 7. 35-A MRSA §3624, sub-§2**, as enacted by PL 2021, c 604, §3, is amended
30 to read

31 **2. Consumer-owned transmission and distribution utilities; voluntary**
32 **participation.** A consumer-owned transmission and distribution utility may, at the option
33 of the utility, enter into long-term contracts with one or more program participants located
34 within the service territory of the utility for energy, ~~capacity resources or renewable energy~~
35 ~~credits~~ Consumer-owned transmission and distribution utilities may enter into contracts
36 under this subsection only as agents for their customers and only in accordance with this
37 section

38 **Sec. 8. 35-A MRSA §3624, sub-§3**, as enacted by PL 2021, c 604, §3, is amended
39 to read

40 **3. Sale of energy; contract procedures.** Energy, ~~capacity resources or renewable~~
41 ~~energy credits~~ contracted through long-term contracts pursuant to this section may be sold
42 into the wholesale electricity market separately or in conjunction with solicitations for

ROS

1 standard-offer supply bids under section 3212 or solicitations for green power offer bids
2 under section 3212-B To the greatest extent possible, the commission shall develop
3 procedures for long-term contracts for transmission and distribution utilities under this
4 section having the same legal and financial effect as the procedures used for standard-offer
5 service pursuant to section 3212 for transmission and distribution utilities

6 **Sec. 9. 35-A MRSA §3624, sub-§7**, as enacted by PL 2021, c 604, §3, is amended
7 to read

8 **7. Contract payments.** Contracts for ~~capacity and related~~ energy entered into
9 pursuant to this section must provide that payments will be made only after contracted
10 amounts of energy have been provided

11 **Sec. 10. Appropriations and allocations.** The following appropriations and
12 allocations are made

13 **AGRICULTURE, CONSERVATION AND FORESTRY, DEPARTMENT OF**
14 **DACF Administration 0401**

15 Initiative Provides allocations for expenditures related to the technology management
16 costs for one Senior Planner position

17	OTHER SPECIAL REVENUE FUNDS	2023-24	2024-25
18	All Other	\$585	\$585
19			
20	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$585</u>	<u>\$585</u>

21 **DACF Administration 0401**
22 Initiative Provides funding for technology management costs related to one Senior Planner
23 position

24	GENERAL FUND	2023-24	2024-25
25	All Other	\$3,292	\$3,292
26			
27	GENERAL FUND TOTAL	<u>\$3,292</u>	<u>\$3,292</u>

28 **Division of Forest Protection Z232**
29 Initiative Provides funding for one Senior Planner position and associated All Other costs

30	GENERAL FUND	2023-24	2024-25
31	POSITIONS - LEGISLATIVE COUNT	1 000	1 000
32	Personal Services	\$72,326	\$101,740
33	All Other	\$3,500	\$3,500
34			
35	GENERAL FUND TOTAL	<u>\$75,826</u>	<u>\$105,240</u>

37 **AGRICULTURE, CONSERVATION AND**
38 **FORESTRY, DEPARTMENT OF**
39 **DEPARTMENT TOTALS**

40		2023-24	2024-25
41	GENERAL FUND	\$79,118	\$108,532

ROS

1	OTHER SPECIAL REVENUE FUNDS	\$585	\$585
2			
3	DEPARTMENT TOTAL - ALL FUNDS	\$79,703	\$109,117

4

5 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section

6 number to read consecutively

SUMMARY

This amendment replaces the bill The amendment does the following

9 1 It requires the Department of Agriculture, Conservation and Forestry, Bureau of

10 Forestry to submit an annual compilation of wood processing reports received by the

11 bureau to the joint standing committee of the Legislature having jurisdiction over energy

12 matters

13 2 It amends the definition of net generating capacity for the purposes of the combined

14 heat and power program to exclude energy provided behind the meter to facilities adjacent

15 to an electric generating facility

16 3 It increases the allowable net generating capacity of a combined heat and power

17 program participant from no more than 10 megawatts to no more than 15 megawatts and

18 increases the total net generating capacity for all combined heat and power program

19 participants to no more than 30 megawatts

20 4 It requires the Public Utilities Commission to evaluate combined heat and power

21 projects on a technology-specific basis when determining whether a project is highly

22 efficient

23 5 It limits the combined heat and power program to contracts for only energy instead

24 of energy, capacity resources and renewable energy credits

25 6 It establishes criteria to allow a program participant located in the service territory

26 of a consumer-owned transmission and distribution utility to provide energy to an investor-

27 owned transmission and distribution utility pursuant to a long-term contract under the

28 program

FISCAL NOTE REQUIRED

(See attached)



131st MAINE LEGISLATURE

LD 1408

LR 2127(02)

An Act to Reduce Maine's Dependence on Fossil Fuels and Carbon Footprint for Energy Production Using Waste Wood Fuel

Fiscal Note for Bill as Amended by Committee Amendment "A" (H-636)
Committee: Energy, Utilities and Technology
Fiscal Note Required: Yes

Fiscal Note

	FY 2023-24	FY 2024-25	Projections FY 2025-26	Projections FY 2026-27
Net Cost (Savings)				
General Fund	\$79,118	\$108,532	\$112,097	\$115,234
Appropriations/Allocations				
General Fund	\$79,118	\$108,532	\$112,097	\$115,234
Other Special Revenue Funds	\$585	\$585	\$585	\$585

Fiscal Detail and Notes

Any additional costs to the Public Utilities Commission to adopt the changes in this bill are expected to be minor and can be absorbed within existing budgeted resources

The Department of Agriculture, Conservation and Forestry (ACF) has noted that processor reports from landowners are usually provided on a paper form and that current staffing levels cannot absorb the additional data gathering, entry, vetting, compilation and reporting requirements in the bill. The bill includes ongoing General Fund appropriations to the ACF of \$79,118 in fiscal year 2023-24 and \$108,532 in fiscal year 2024-25 for one Senior Planner position and associated All Other costs. The bill also includes ongoing Other Special Revenue Funds allocations of \$585 to the ACF beginning in fiscal year 2023-24 for the centralized technology management costs related to the position.