



## **131st MAINE LEGISLATURE**

## **FIRST SPECIAL SESSION-2023**

Legislative Document	No. 1830
S.P. 746	In Senate, April 27, 2023

An Act to Advance Maine's Clean Energy Goals

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

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DAREK M. GRANT Secretary of the Senate

Presented by Senator VITELLI of Sagadahoc. Cosponsored by Speaker TALBOT ROSS of Portland and Senators: President JACKSON of Aroostook, RENY of Lincoln.

1	Be it enacted by the People of the State of Maine as follows:
2	Sec. 1. 35-A MRSA §3209-C is enacted to read:
3	§3209-C. Distributed renewable generation
4 5	<b>1. Definitions.</b> As used in this section, unless the context otherwise indicates, the following terms have the following meanings.
6 7	<u>A. "Combined project" means a Class IA resource that is paired with an energy storage system in accordance with rules adopted by the commission.</u>
8	B. "Contaminated land" means:
9 10 11	(1) Land that is or may be polluted in a manner that impedes development, as determined by the commission by rule in consultation with the Department of Agriculture, Conservation and Forestry; or
12 13 14	(2) Farmland, as defined in Title 7, section 52, subsection 4, that the Department of Agriculture, Conservation and Forestry has found to be contaminated with perfluoroalkyl and polyfluoroalkyl substances.
15 16	<u>C. "Eligible Class IA resource" means a Class IA resource, as defined in section 3210, subsection 2, paragraph A-3, that is located on contaminated land.</u>
17	D. "Energy storage system" has the same meaning as in section 3481, subsection 6.
18 19 20 21 22 23 24 25 26 27 28	2. Competitive procurement. The commission shall direct investor-owned transmission and distribution utilities to enter into one or more contracts for energy or renewable energy credits from eligible Class IA resources or combined projects in accordance with this section. Customers who have made an election pursuant to section 3210, subsection 10 are subject to prohibitions on bidding on or obtaining a contract under this section as provided in section 3210, subsection 10 for contracts under section 3210-G. A. The commission shall initiate a competitive solicitation for contracts under this paragraph and ensure that the solicitation results in the approval of contracts by December 31, 2024 for energy or renewable energy credits equal to 5% of the retail electricity sales in this State for the period from January 1, 2021 to December 31, 2021 plus any amount determined pursuant to paragraph B.
29 30 31 32 33 34 35 36	B. If the commission, in consultation with the Governor's Energy Office, finds that any entity awarded a contract under section 3210-G is not making demonstrable progress in bringing the contracted resources into commercial viability, the contract must be voided in accordance with this paragraph. The commission shall provide notice to the entity that if such progress is not achieved within a reasonable time frame established by the commission, the contracts will be deemed unfulfilled and void and the amount of output that was specified in the contract must be added to the amount to be procured under paragraph A.
37 38	<u>C. In conducting a solicitation and selecting Class IA resources or combined projects</u> for contracts under this section, the commission shall:
39 40 41	(1) Consider project viability. The commission shall reject a bid if the commission finds that the system impact study required by the New England independent system operator for the Class IA resource has not been filed;

1	(2) Consider the expected effect of selected Class IA resources on other renewable
2	resources, as defined in section 3210, subsection 2, paragraph C, due to congestion
3	and curtailment; and
4	(3) Weigh the benefits to ratepayers and the benefits to the State's economy as
5	<u>follows:</u>
6	(a) A weight of 70% must be given to the benefits to ratepayers; and
7 8	(b) A weight of 30% must be given to the economic use of contaminated land, as determined by the commission by rule.
9	The commission may only select Class IA resources or combined projects for contracts
10	under this section if the commission finds the contract will benefit ratepayers and the bid
11	price is less than the standard-offer service rate established pursuant to section 3212 that
12	applies to residential customers in the territory of the transmission and distribution utility
13	at the time the contract is executed.
14	3. Rules. The commission shall adopt rules necessary for the implementation of this
15	section. Rules adopted by the commission may include, but are not limited to, provisions
16	stipulating the financial security mechanisms that will be required as a condition of the
17	selection of Class IA resources for contracts under this section. Rules adopted pursuant to
18	this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter
19	<u>2-A.</u>
20	Sec. 2. 35-A MRSA §3210, sub-§11, as enacted by PL 2019, c. 477, §1, is amended
21	to read:
22	11. Report: Class IA resource and thermal renewable energy credit portfolio
22 23	<b>11.</b> Report; Class IA resource and thermal renewable energy credit portfolio requirements. By March 31, 2024 and every 5 years thereafter, the commission
23	requirements. By March 31, 2024 and every 5 years thereafter, the commission
23 24	requirements. By March 31, 2024 and every 5 years thereafter, the commission Governor's Energy Office shall submit a report to the joint standing committee of the
23 24 25	<b>requirements.</b> By March 31, 2024 and every 5 years thereafter, the commission Governor's Energy Office shall submit a report to the joint standing committee of the Legislature having jurisdiction over energy matters based on a review, conducted in
23 24 25 26	<b>requirements.</b> By March 31, 2024 and every 5 years thereafter, the commission <u>Governor's Energy Office</u> shall submit a report to the joint standing committee of the Legislature having jurisdiction over energy matters based on a review, conducted in consultation with the <u>Governor's Energy Office</u> commission, of the status and impacts of
23 24 25 26 27	<b>requirements.</b> By March 31, 2024 and every 5 years thereafter, the commission Governor's Energy Office shall submit a report to the joint standing committee of the Legislature having jurisdiction over energy matters based on a review, conducted in consultation with the Governor's Energy Office commission, of the status and impacts of the implementation of the portfolio requirements for Class IA renewable resources under
23 24 25 26 27 28	<b>requirements.</b> By March 31, 2024 and every 5 years thereafter, the commission Governor's Energy Office shall submit a report to the joint standing committee of the Legislature having jurisdiction over energy matters based on a review, conducted in consultation with the Governor's Energy Office commission, of the status and impacts of the implementation of the portfolio requirements for Class IA renewable resources under subsection subsections 3, 3-A and 3-B and thermal renewable energy credits under
23 24 25 26 27 28 29	<b>requirements.</b> By March 31, 2024 and every 5 years thereafter, the commission Governor's Energy Office shall submit a report to the joint standing committee of the Legislature having jurisdiction over energy matters based on a review, conducted in consultation with the Governor's Energy Office commission, of the status and impacts of the implementation of the portfolio requirements for Class IA renewable resources under subsection 3-C. The review must be completed through a public process and must include
23 24 25 26 27 28 29 30	<b>requirements.</b> By March 31, 2024 and every 5 years thereafter, the commission Governor's Energy Office shall submit a report to the joint standing committee of the Legislature having jurisdiction over energy matters based on a review, conducted in consultation with the Governor's Energy Office commission, of the status and impacts of the implementation of the portfolio requirements for Class IA renewable resources under subsection 3-C. The review must be completed through a public process and must include consideration of impacts of these renewable portfolio requirements on energy prices and
23 24 25 26 27 28 29 30 31	<b>requirements.</b> By March 31, 2024 and every 5 years thereafter, the commission Governor's Energy Office shall submit a report to the joint standing committee of the Legislature having jurisdiction over energy matters based on a review, conducted in consultation with the Governor's Energy Office commission, of the status and impacts of the implementation of the portfolio requirements for Class IA renewable resources under subsection 3.C. The review must be completed through a public process and must include consideration of impacts of these renewable portfolio requirements on energy prices and assessment of benefits, including, but not limited to, on greenhouse gas emissions and the
23 24 25 26 27 28 29 30 31 32	<b>requirements.</b> By March 31, 2024 and every 5 years thereafter, the commission Governor's Energy Office shall submit a report to the joint standing committee of the Legislature having jurisdiction over energy matters based on a review, conducted in consultation with the Governor's Energy Office commission, of the status and impacts of the implementation of the portfolio requirements for Class IA renewable resources under subsection 3-C. The review must be completed through a public process and must include consideration of impacts of these renewable portfolio requirements on energy prices and assessment of benefits, including, but not limited to, on greenhouse gas emissions and the economy of the State. The report required under this subsection may be submitted in
23 24 25 26 27 28 29 30 31 32 33	<b>requirements.</b> By March 31, 2024 and every 5 years thereafter, the commission Governor's Energy Office shall submit a report to the joint standing committee of the Legislature having jurisdiction over energy matters based on a review, conducted in consultation with the Governor's Energy Office commission, of the status and impacts of the implementation of the portfolio requirements for Class IA renewable resources under subsection 3-C. The review must be completed through a public process and must include consideration of impacts of these renewable portfolio requirements on energy prices and assessment of benefits, including, but not limited to, on greenhouse gas emissions and the economy of the State. The report required under this subsection may be submitted in conjunction with the report required under subsection 3-A, paragraph C. After reviewing
23 24 25 26 27 28 29 30 31 32	<b>requirements.</b> By March 31, 2024 and every 5 years thereafter, the commission Governor's Energy Office shall submit a report to the joint standing committee of the Legislature having jurisdiction over energy matters based on a review, conducted in consultation with the Governor's Energy Office commission, of the status and impacts of the implementation of the portfolio requirements for Class IA renewable resources under subsection 3-C. The review must be completed through a public process and must include consideration of impacts of these renewable portfolio requirements on energy prices and assessment of benefits, including, but not limited to, on greenhouse gas emissions and the economy of the State. The report required under this subsection may be submitted in
23 24 25 26 27 28 29 30 31 32 33 34	<b>requirements.</b> By March 31, 2024 and every 5 years thereafter, the commission Governor's Energy Office shall submit a report to the joint standing committee of the Legislature having jurisdiction over energy matters based on a review, conducted in consultation with the Governor's Energy Office commission, of the status and impacts of the implementation of the portfolio requirements for Class IA renewable resources under subsection 3-C. The review must be completed through a public process and must include consideration of impacts of these renewable portfolio requirements on energy prices and assessment of benefits, including, but not limited to, on greenhouse gas emissions and the economy of the State. The report required under this subsection 3-A, paragraph C. After reviewing the report required under this subsection any report out legislation
23 24 25 26 27 28 29 30 31 32 33 34 35	<b>requirements.</b> By March 31, 2024 and every 5 years thereafter, the commission Governor's Energy Office shall submit a report to the joint standing committee of the Legislature having jurisdiction over energy matters based on a review, conducted in consultation with the Governor's Energy Office commission, of the status and impacts of the implementation of the portfolio requirements for Class IA renewable resources under subsection <u>subsections 3, 3-A and</u> 3-B and thermal renewable energy credits under subsection of impacts of these renewable portfolio requirements on energy prices and assessment of benefits, including, but not limited to, on greenhouse gas emissions and the economy of the State. The report required under this subsection <u>3-A</u> , paragraph <u>C</u> . After reviewing the report required under this subsection <u>3-A</u> , paragraph <u>C</u> . After reviewing the report required under this subsection <u>subsection</u> regarding renewable portfolio requirements.
23 24 25 26 27 28 29 30 31 32 33 34 35 36	<b>requirements.</b> By March 31, 2024 and every 5 years thereafter, the commission <u>Governor's Energy Office</u> shall submit a report to the joint standing committee of the Legislature having jurisdiction over energy matters based on a review, conducted in consultation with the <del>Governor's Energy Office</del> <u>commission</u> , of the status and impacts of the implementation of the portfolio requirements for <del>Class IA</del> <u>renewable</u> resources under <del>subsection</del> <u>subsections 3, 3-A and</u> 3-B and thermal renewable energy credits under subsection of impacts of these renewable portfolio requirements on energy prices and assessment of benefits, <u>including, but not limited to</u> , on greenhouse gas emissions and the economy of the State. The report required under this subsection may be submitted in eonjunction with the report required under subsection 3-A, paragraph C. After reviewing the report required under this subsection any report out legislation regarding renewable portfolio requirements.
23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38	<b>requirements.</b> By March 31, 2024 and every 5 years thereafter, the commission <u>Governor's Energy Office</u> shall submit a report to the joint standing committee of the Legislature having jurisdiction over energy matters based on a review, conducted in consultation with the <u>Governor's Energy Office</u> <u>commission</u> , of the status and impacts of the implementation of the portfolio requirements for <u>Class IA</u> <u>renewable</u> resources under <del>subsection</del> <u>subsections</u> <u>3</u> , <u>3-A</u> <u>and</u> <u>3-B</u> and thermal renewable energy credits under subsection <u>3-C</u> . The review must be completed through a public process and must include consideration of impacts of these renewable portfolio requirements on energy prices and assessment of benefits, <u>including</u> , <u>but not limited to</u> , on greenhouse gas emissions and the economy of the State. The report required under this subsection may be submitted in conjunction with the report required under subsection <u>3-A</u> , paragraph <u>C</u> . After reviewing the report required under this subsection, the committee may report out legislation regarding renewable portfolio requirements. <b>SUMMARY</b> This bill requires the Governor's Energy Office, in consultation with the Public Utilities Commission, to review the impacts of the State's renewable resources portfolio
23 24 25 26 27 28 29 30 31 32 33 34 35 36 37	<b>requirements.</b> By March 31, 2024 and every 5 years thereafter, the commission <u>Governor's Energy Office</u> shall submit a report to the joint standing committee of the Legislature having jurisdiction over energy matters based on a review, conducted in consultation with the <del>Governor's Energy Office</del> <u>commission</u> , of the status and impacts of the implementation of the portfolio requirements for <del>Class IA</del> <u>renewable</u> resources under <del>subsection</del> <u>subsections 3, 3-A and</u> 3-B and thermal renewable energy credits under subsection of impacts of these renewable portfolio requirements on energy prices and assessment of benefits, <u>including, but not limited to</u> , on greenhouse gas emissions and the economy of the State. The report required under this subsection may be submitted in eonjunction with the report required under subsection 3-A, paragraph C. After reviewing the report required under this subsection any report out legislation regarding renewable portfolio requirements.
23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40	<b>requirements.</b> By March 31, 2024 and every 5 years thereafter, the commission Governor's Energy Office shall submit a report to the joint standing committee of the Legislature having jurisdiction over energy matters based on a review, conducted in consultation with the Governor's Energy Office commission, of the status and impacts of the implementation of the portfolio requirements for Class IA renewable resources under subsection 3. 3-A and 3-B and thermal renewable energy credits under subsection 3-C. The review must be completed through a public process and must include consideration of impacts of these renewable portfolio requirements on energy prices and assessment of benefits, including, but not limited to, on greenhouse gas emissions and the economy of the State. The report required under this subsection 3-A, paragraph C. After reviewing the report required under this subsection 3-A, paragraph C. After reviewing the report required under this subsection, the committee may report out legislation regarding renewable portfolio requirements.
23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41	requirements. By March 31, 2024 and every 5 years thereafter, the commission Governor's Energy Office shall submit a report to the joint standing committee of the Legislature having jurisdiction over energy matters based on a review, conducted in consultation with the Governor's Energy Office commission, of the status and impacts of the implementation of the portfolio requirements for Class IA renewable resources under subsection <u>subsections 3</u> , <u>3-A</u> and <u>3-B</u> and thermal renewable energy credits under subsection of impacts of these renewable portfolio requirements on energy prices and assessment of benefits, including, but not limited to, on greenhouse gas emissions and the economy of the State. The report required under this subsection may be submitted in conjunction with the report required under subsection <u>3-A</u> , paragraph <u>C</u> . After reviewing the report required under this subsection <u>3-A</u> , paragraph <u>C</u> . After reviewing the report required under this subsection <u>station</u> with the Public Utilities Commission, to review the impacts of the State's renewable resources portfolio requirements and submit a report to the joint standing committee of the Legislature having jurisdiction over energy matters by March 31, 2024 and every 5 years thereafter. The bill establishes a competitive solicitation for energy or renewable energy credits
23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40	<b>requirements.</b> By March 31, 2024 and every 5 years thereafter, the commission Governor's Energy Office shall submit a report to the joint standing committee of the Legislature having jurisdiction over energy matters based on a review, conducted in consultation with the Governor's Energy Office commission, of the status and impacts of the implementation of the portfolio requirements for Class IA renewable resources under subsection 3. 3-A and 3-B and thermal renewable energy credits under subsection 3-C. The review must be completed through a public process and must include consideration of impacts of these renewable portfolio requirements on energy prices and assessment of benefits, including, but not limited to, on greenhouse gas emissions and the economy of the State. The report required under this subsection 3-A, paragraph C. After reviewing the report required under this subsection 3-A, paragraph C. After reviewing the report required under this subsection, the committee may report out legislation regarding renewable portfolio requirements.

brought into commercial viability within a reasonable time frame established by the 1 commission. Eligible projects must be located on land that is contaminated in some way 2 and may include energy storage systems paired with renewable resources. In conducting a 3 solicitation and selecting projects for contracts, the commission is directed to consider 4 project viability and consider the expected effect on other renewable resources due to 5 congestion and curtailment. The commission is also directed to apply a weight of 70% to 6 the benefits to ratepayers and a weight of 30% to the economic use of contaminated land. 7 The commission may only select projects the commission finds will benefit ratepayers. Bid 8 9 prices must be less than the then-current standard-offer service rate.