

# MAINE STATE LEGISLATURE

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L.D. 307

Date: 3/20/26

REPORT 'B'

(Filing No. H-882)

**ENERGY, UTILITIES AND TECHNOLOGY**

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**STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
132ND LEGISLATURE  
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT "B" to H.P. 207, L.D. 307, "An Act Regarding Energy, Utilities and Technology"

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

**'An Act to Establish the Maine Data Center Coordination Council and Place a Temporary Limitation on Certain Data Centers'**

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

**'Sec. 1. Interim suspension on certain data center approvals.**

**1. Definitions.** For the purposes of this section, the following terms have the following meanings.

- A. "Commission" means the Public Utilities Commission.
- B. "Data center" means any facility in the State, which may be a freestanding structure or a facility within a larger structure, that primarily contains electronic equipment used to process, store and transmit digital information that uses environmental control equipment to maintain the proper conditions for the operation of electronic equipment.
- C. "Electric demand" means, with respect to a data center, the projected or current electricity usage of the data center calculated based on aggregated load at a single site or contiguous parcels under common ownership or control.
- D. "Exemption order" means an order issued by the commission after an adjudicatory proceeding as described in subsection 3.

**2. Interim suspension.** Notwithstanding any provision of law to the contrary, prior to November 1, 2027, a municipality, a quasi-municipal entity or an agency of the State may not accept an application for or issue, approve or make finally effective a permit, certificate, license, lease authorization or other approval for the development, construction or operation of a data center with a projected or current electric demand of 20 megawatts

**COMMITTEE AMENDMENT**

1 or more, other than a data center that has received an exemption order pursuant to  
 2 subsection 3.

3 **3. Exempt data center projects.** A developer or operator of a data center may petition  
 4 the commission for an exemption order to demonstrate to a municipality or agency of the  
 5 State that the data center is not subject to the interim suspension under subsection 2. The  
 6 commission may issue an exemption order after an adjudicatory proceeding, if the  
 7 commission determines in its discretion that:

8 A. The developer or operator of the data center:

9 (1) Prior to the effective date of this Act, established control of the data center site  
 10 through ownership, an executed purchase agreement or option or binding long-  
 11 term lease or option;

12 (2) Prior to the effective date of this Act, executed a binding interconnection  
 13 agreement or obtained written confirmation from the applicable transmission and  
 14 distribution utility specifying available electric capacity at the data center site  
 15 without requiring transmission or distribution upgrades funded through  
 16 transmission and distribution rates;

17 (3) Demonstrates to the commission's satisfaction that the owner or operator has  
 18 the capability to execute on a timely basis a binding construction contract or  
 19 redevelopment agreement;

20 (4) Demonstrates to the commission's satisfaction that the owner or operator has  
 21 the capability to execute on a timely basis a substantial financial commitment  
 22 through secured financing, equity contribution or other legally binding financial  
 23 obligation; and

24 (5) Demonstrates the owner or operator has established appropriate cost allocation  
 25 mechanisms with the transmission and distribution utility in whose service territory  
 26 the data center will be located to ensure that the project bears the full cost of any  
 27 infrastructure upgrades required to serve the load; and

28 B. The data center:

29 (1) Will not materially increase transmission and distribution costs to ratepayers  
 30 in the State;

31 (2) Does not have a projected electrical demand that will exceed the level  
 32 documented in the binding interconnection agreement or written confirmation from  
 33 the utility described in paragraph A, subparagraph 2;

34 (3) Does not have projected water withdrawals, consumption or discharge that will  
 35 materially adversely affect local water resources, municipal or regional water  
 36 systems or wastewater treatment capacity; and

37 (4) Does not have projected natural gas consumption, if any, including fuel used  
 38 for on-site generation or backup generation, that will materially increase rates or  
 39 utility infrastructure requirements borne by other natural gas customers.

40 In evaluating a petition under this subsection, the commission may consult with the  
 41 Department of Environmental Protection, the Department of Energy Resources and any  
 42 relevant municipal water or wastewater authorities. The commission may impose

1 conditions in its exemption order that the commission determines are necessary to protect  
2 ratepayers, water resources, natural gas customers or system reliability.

3 If the commission issues an exemption order in accordance with this subsection, the  
4 commission shall promptly, and no later than the next general electric rate or stranded cost  
5 recovery proceeding, allocate to ratepayers any transmission and distribution rate  
6 reductions resulting solely from the projected and actual operation of a data center that has  
7 received the exemption order.

8 **4. Limitation on increased electric demand.** Prior to November 1, 2027, a data  
9 center receiving an exemption order pursuant to subsection 3 may not increase its electric  
10 demand beyond the level documented in its petition to the commission unless the  
11 commission approves the increase following notice and opportunity for hearing and finds  
12 that the criteria described in subsection 3, paragraphs A and B remain satisfied and that the  
13 data center's electric demand delivered through the facilities of a transmission and  
14 distribution utility is no more than 100 megawatts.

15 **5. Restriction on financial incentives.** Notwithstanding any provision of law to the  
16 contrary, prior to November 1, 2027, a state agency or quasi-independent state agency may  
17 not approve, award or disburse state-funded financial incentives, grants, loans, refundable  
18 or transferable tax credits or other discretionary economic development benefits for a data  
19 center with an electric demand of 20 megawatts or more. This subsection does not apply to  
20 incentives that were finally approved and legally binding prior to the effective date of this  
21 Act.

22 **6. Repeal.** This section is repealed November 1, 2027.

23 **Sec. 2. Establishment of Maine Data Center Coordination Council.** The  
24 Department of Energy Resources shall convene the Maine Data Center Coordination  
25 Council, referred to in this legislation as "the council," to provide strategic input, facilitate  
26 coordinated state planning considerations and evaluate policy tools to address data center  
27 opportunities and related benefits and risks to the State. For the purposes of this section,  
28 "data center" means any facility in the State, which may be a freestanding structure or a  
29 facility within a larger structure, that primarily contains electronic equipment used to  
30 process, store and transmit digital information that uses environmental control equipment  
31 to maintain the proper conditions for the operation of electronic equipment.

32 1. The council shall evaluate issues related to data centers located or proposed to be  
33 located in the State, with the goals of protecting ratepayers, maintaining electric grid  
34 reliability, minimizing environmental impacts and enabling responsible and appropriately  
35 sited economic development. In conducting its evaluation, the council shall consider the  
36 State's policy goals related to renewable energy in the Maine Revised Statutes, Title 35-A,  
37 section 3210, greenhouse gas reduction objectives, including those in Title 38, section  
38 576-A, goals for broadband service established in Title 35-A, section 9202-A, the state  
39 economic development strategy and the legislative findings described in Title 38, section  
40 480-A. In carrying out its work, the council shall:

41 A. Review and consider legislation related to data centers that has been considered or  
42 adopted in other states;

- 1 B. Evaluate projections of electric load growth, infrastructure needs and system
- 2 reliability and resource adequacy impacts associated with data centers in the State and
- 3 the ISO-New England region;
- 4 C. Identify strategies to protect ratepayers from rate inflation or negative financial
- 5 effects resulting from data centers, including, but not limited to, cost allocation
- 6 approaches, rate design changes, impact fees, efficiency standards, energy supply
- 7 obligations and demand response and load flexibility during periods of high demand
- 8 or grid emergencies;
- 9 D. Review applicability of existing state programs and financial tools to data centers;
- 10 E. Assess potential environmental and natural resource impacts, including, but not
- 11 limited to, water use, emissions, land use and other impacts on host communities, and
- 12 identify strategies to minimize adverse impacts;
- 13 F. Consider data-sharing requirements and processes for proposed data centers,
- 14 including use of nondisclosure agreements and identify information essential to grid
- 15 operators, electric utilities, state agencies and policy makers regarding electric load,
- 16 peak demand, water use and other operational characteristics necessary to inform state
- 17 and local planning;
- 18 G. Offer guidance to assist municipalities in assessing potential data center impacts
- 19 and benefits, including the use of community benefit agreements; and
- 20 H. Develop recommendations to clarify roles, responsibilities, information-sharing
- 21 practices and timelines among state agencies, utilities, municipalities and other
- 22 governmental entities to support coordinated, timely and well-informed responses to
- 23 data center development inquiries.
- 24 2. The Commissioner of Energy Resources or the commissioner's designee shall serve
- 25 as chair of the council. The council must include the following 14 additional members:
- 26 A. The Director of the Maine Office of Community Affairs or the director's designee;
- 27 B. The Commissioner of Economic and Community Development or the
- 28 commissioner's designee;
- 29 C. The Public Advocate or the Public Advocate's designee;
- 30 D. The chair of the Public Utilities Commission or the chair's designee;
- 31 E. The president of the Maine Connectivity Authority or the president's designee;
- 32 F. The Commissioner of Environmental Protection or the commissioner's designee;
- 33 G. The executive director of the Wabanaki Alliance or the executive director's
- 34 designee;
- 35 H. The following 7 members appointed by the Commissioner of Energy Resources or
- 36 the commissioner's designee:
  - 37 (1) A representative of the Maine Municipal Association;
  - 38 (2) One representative each from the 2 investor-owned transmission and
  - 39 distribution utilities in the State and one representative of the interests of
  - 40 cooperative and municipally owned utilities in the State;

- 1 (3) One representative of an environmental advocacy organization;
- 2 (4) One representative of a labor organization; and
- 3 (5) One representative with technical expertise in data center design and operation.

4 The Commissioner of Energy Resources or the commissioner's designee may invite  
 5 additional agency representatives, experts or stakeholders to provide comment or provide  
 6 assistance to the council as the commissioner determines appropriate to address technical,  
 7 economic and environmental factors of data center development.

8 3. The council shall hold at least 5 meetings. The council shall provide an opportunity  
 9 for public comment on the council's draft findings prior to submitting the final strategy  
 10 report described in subsection 4.

11 4. By February 1, 2027, the council shall submit a final strategy report with the findings  
 12 of its evaluation and any recommendations, including any proposed legislation, to the  
 13 Governor and the joint standing committee of the Legislature having jurisdiction over  
 14 energy matters. The committee may report out a bill related to the report to the 133rd  
 15 Legislature in 2027.

16 **Sec. 3. Appropriations and allocations.** The following appropriations and  
 17 allocations are made.

18 **ENERGY RESOURCES, DEPARTMENT OF**  
 19 **Department of Energy Resources Z424**

20 Initiative: Provides one-time funding for contracted technical and facilitation support for  
 21 the Maine Data Center Coordination Council.

22 <b>GENERAL FUND</b>	<b>2025-26</b>	<b>2026-27</b>
23 All Other	\$0	\$95,000
24		
25 <b>GENERAL FUND TOTAL</b>	\$0	\$95,000

26

27 **ENERGY RESOURCES, DEPARTMENT OF**  
 28 **DEPARTMENT TOTALS**

29	<b>2025-26</b>	<b>2026-27</b>
30 <b>GENERAL FUND</b>	\$0	\$95,000
31		
32 <b>DEPARTMENT TOTAL - ALL FUNDS</b>	\$0	\$95,000

33 **PUBLIC UTILITIES COMMISSION**

34 **Public Utilities - Administrative Division 0184**

35 Initiative: Provides one-time funding for contracted consulting services.

36 <b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2025-26</b>	<b>2026-27</b>
37 All Other	\$0	\$201,608
38		
39 <b>OTHER SPECIAL REVENUE FUNDS TOTAL</b>	\$0	\$201,608

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COMMITTEE AMENDMENT "B" to H.P. 207, L.D. 307

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<b>PUBLIC UTILITIES COMMISSION</b>		
<b>DEPARTMENT TOTALS</b>	<b>2025-26</b>	<b>2026-27</b>
<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>\$0</b>	<b>\$201,608</b>
<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$0</b>	<b>\$201,608</b>
<b>SECTION TOTALS</b>	<b>2025-26</b>	<b>2026-27</b>
<b>GENERAL FUND</b>	<b>\$0</b>	<b>\$95,000</b>
<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>\$0</b>	<b>\$201,608</b>
<b>SECTION TOTAL - ALL FUNDS</b>	<b>\$0</b>	<b>\$296,608</b>

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

**SUMMARY**

This amendment replaces the bill, which is a concept draft, and changes the title.

It establishes a temporary suspension on the authority of a municipality, a quasi-municipal entity or any agency of the State, prior to November 1, 2027, to accept an application for or to issue, approve or make finally effective a permit, certificate, license, lease authorization or other approval for the development, construction or operation of a data center with an electric demand of 20 megawatts or more, other than a data center that has received an exemption order from the Public Utilities Commission. To receive an exemption order, a developer or operator of a data center must demonstrate that it has met certain criteria.

The amendment also prohibits a state agency or quasi-independent entity from approving, awarding or disbursing state-funded financial incentives, grants, loans, refundable or transferable tax credits or other discretionary economic development benefits for a data center with an electric demand of 20 megawatts or more prior to November 1, 2027. This prohibition does not apply to incentives that were finally approved and legally binding prior to the effective date of this legislation.

The amendment also requires the Department of Energy Resources to convene the Maine Data Center Coordination Council to provide strategic input, facilitate coordinated state planning considerations and evaluate policy tools to address data center opportunities and related benefits and risks to the State. By February 1, 2027, the council is required to submit a final strategy report, including the findings of its evaluation and recommendations, to the Governor and the joint standing committee of the Legislature having jurisdiction over energy matters.

**FISCAL NOTE REQUIRED**  
(See attached)

**COMMITTEE AMENDMENT**



# 132nd MAINE LEGISLATURE

LD 307

LR 1521(03)

## An Act Regarding Energy, Utilities and Technology

Fiscal Note for Bill as Amended by Committee Amendment 'B' (H-882)  
 Committee: Energy, Utilities and Technology  
 Fiscal Note Required: Yes

### Fiscal Note

	FY 2025-26	FY 2026-27	Projections FY 2027-28	Projections FY 2028-29
<b>Net Cost (Savings)</b>				
General Fund	\$0	\$95,000	\$0	\$0
<b>Appropriations/Allocations</b>				
General Fund	\$0	\$95,000	\$0	\$0
Other Special Revenue Funds	\$0	\$201,608	\$0	\$0
<b>Revenue</b>				
Other Special Revenue Funds	\$0	\$201,608	\$0	\$0

#### Fiscal Detail and Notes

This bill requires the Department of Energy Resources (DOER) to convene the Maine Data Center Coordination Council to evaluate planning considerations for data center development in the State and submit a report of its findings. DOER has indicated that these responsibilities will require additional resources. The bill includes a one-time General Fund appropriation of \$95,000 in fiscal year 2026-27 to DOER for contracted technical and facilitation support.

The Public Utilities Commission (PUC) has indicated that implementing the exemption review process established in this bill will require additional resources. The bill includes a one-time Other Special Revenue Funds allocation of \$201,608 in fiscal year 2026-27 for contracted consulting services.

Because the Public Utilities Commission is funded through assessments on regulated utilities set to recover its authorized budget, any increase in expenditures associated with the activities authorized by this bill may result in increased assessments on regulated utilities, including the potential use of a special assessment to generate the required revenue.

Additional costs to state agencies for participation in the council are expected to be minor and can be absorbed within existing budgeted resources.