

# MAINE STATE LEGISLATURE

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Date: 3/20/24

(Filing No. S-57)

REPORT A

ENERGY, UTILITIES AND TECHNOLOGY

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STATE OF MAINE

SENATE

132ND LEGISLATURE

SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to S.P. 386, L.D. 897, "An Act Regarding the Calculation of Electric Rate Contracting Costs"

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

'An Act Regarding the Nonwires Alternative Process and Required Negative Pricing Provisions in Contracts for Energy Resulting from Competitive Solicitations Conducted by the Public Utilities Commission'

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

'Sec. 1. 35-A MRSA §3132-B, sub-§1, as enacted by PL 2019, c. 298, §13, is amended to read:

1. Planning study. Each investor-owned transmission and distribution utility in this State shall annually complete and submit to the ~~commission and to the~~ Office of the Public Advocate, for review by the nonwires alternative coordinator, a planning study for small transmission projects and distribution projects. In completing the planning study, an investor-owned transmission and distribution utility shall develop and use system planning models. The study must:

- A. Analyze system needs for the next 5 years and provide a schedule of proposed projects and associated costs;
- B. Describe system capacity and load by substation and circuit; and
- C. Identify corresponding planned and anticipated growth-related investments.

After review of a planning study submitted under this subsection, the nonwires alternative coordinator may provide comments or recommendations, which may include recommendations to achieve the policy goals established in section 3143. An investor-owned transmission and distribution utility may, at its discretion, incorporate recommendations on a planning study made by the nonwires alternative coordinator. Failure to incorporate recommendations made by the nonwires alternative coordinator may not result in a presumption of imprudence.

COMMITTEE AMENDMENT

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**Sec. 2. 35-A MRSA §3132-C, sub-§4**, as enacted by PL 2019, c. 298, §14, is amended to read:

**4. Recommendations.** On the basis of the investigation under subsection 1, the nonwires alternative coordinator shall develop and provide to the commission or to an investor-owned transmission and distribution utility, as appropriate, recommendations regarding cost-effective nonwires alternatives to the wires project, including a proposed plan for procurement of the recommended nonwires alternatives.—~~The proposed procurement plan must be~~ that identifies components that are behind the meter or on the grid side of the meter and is consistent with the provisions of section 3132-D.

**Sec. 3. 35-A MRSA §3132-C, sub-§5** is enacted to read:

**5. Rules.** The commission may adopt rules to implement this section. Rules adopted pursuant to this subsection are routine technical rules as defined by Title 5, chapter 375, subchapter 2-A.

**Sec. 4. 35-A MRSA §3149, first ¶**, as enacted by PL 2025, c. 392, §1, is amended to read:

The commission may not approve a contract for energy resulting from a competitive solicitation conducted by the commission under this Title unless the contract includes a provision that requires the reduction of payments ~~to the bidder~~ under the contract by the ~~stranded costs arising from energy produced~~ absolute value of the applicable negative price multiplied by the energy produced and delivered under the contract during negative price intervals. The commission may grant an exception from the inclusion of such a negative price provision if the bidder demonstrates good cause for the exception and the commission finds that the contract is cost-effective, includes other price protections for ratepayers and will avoid to the maximum extent possible the curtailment of existing renewable resource generators.'

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 requires an investor-owned transmission and distribution utility to submit a planning study for small transmission projects and distribution projects to the Public Utilities Commission in addition to the Office of the Public Advocate. It also requires the nonwires alternative coordinator to identify in a proposed plan for procurement of the recommended nonwires alternatives, whether the components are behind the meter or on the grid side of the meter, and allows the commission to adopt rules relating to the nonwires alternatives investigation and recommendations.

The amendment also changes the requirement for contract provisions governing negative pricing in contracts for energy resulting from competitive solicitations conducted by the commission by requiring the contract to include a provision that requires the

**COMMITTEE AMENDMENT**

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COMMITTEE AMENDMENT "A" to S.P. 386, L.D. 897 (S-571)

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reduction of payments under the contract by the absolute value of the applicable negative price multiplied by the energy produced and delivered under the contract.

**FISCAL NOTE REQUIRED**

(See attached)

**COMMITTEE AMENDMENT**



# 132nd MAINE LEGISLATURE

LD 897

LR 1576(02)

**An Act Regarding the Calculation of Electric Rate Contracting Costs**

**Fiscal Note for Bill as Amended by Committee Amendment "A"(S-571)**  
**Committee: Energy, Utilities and Technology**  
**Fiscal Note Required: Yes**

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## Fiscal Note

Minor cost increase - Other Special Revenue Funds

### Fiscal Detail and Notes

Any additional costs to the Public Utilities Commission from the provisions of this bill are expected to be minor and can be absorbed within existing budgeted resources.