

LAWS

OF THE

STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND ELEVENTH LEGISLATURE

SECOND SPECIAL SESSION November 18, 1983

AND AT THE

SECOND REGULAR SESSION January 4, 1984 to April 25, 1984

AND AT THE

THIRD SPECIAL SESSION September 4, 1984 to September 11, 1984

PUBLISHED BY THE DIRECTOR OF LEGISLATIVE RESEARCH IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED, TITLE 3, SECTION 164, SUBSECTION 6.

> J.S. McCarthy Co., Inc. Augusta, Maine 1986

PUBLIC LAWS

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SECOND REGULAR SESSION

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JANUARY 4, 1984 TO APRIL 25, 1984

CHAPTER 822

S.P. 833 - L.D. 2234

AN ACT Encouraging an Alternative to Landfill Disposal of Solid Waste.

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

Sec. 1. 35 MRSA §2322, first ¶, as enacted by PL 1979, c. 421, §2, is amended to read:

§2322. Purpose

The Legislature finds that it is in the best interest of the State to reduce the state's dependence upon fossil fuels for its energy needs. It is necessary to diversify energy producing systems and energy sources to ensure an adequate and reliable supply of energy for Maine citizens. The Legislature further finds that the development of small energy production facilities using renewable resources and cogeneration facilities will have a significant and beneficial effect upon this State. The Legislature further finds that the replacement of fossil fuels by municipal solid waste reduces dependence upon fossil fuels, diversifies energy sources, reduces municipal costs and reduces the negative environmental effects of solid waste disposal.

Sec. 2. 35 MRSA §2323, as amended by PL 1981, c. 698, §173, is further amended to read:

§2323. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms shall have the following meanings.

1. <u>Cogenerator</u>. "Cogenerator" means a municipality, person or corporation:

A. Owning or operating a facility which generates electricity and steam or other useful forms of energy which are used for commercial, industrial, heating or cooling purposes; and

B. Not primarily engaged in the generation or sale of electric power, other than the power generated at the cogeneration facility.

For purposes of this chapter, a cogenerator shall be considered not primarily engaged in the generation or sale of electric power if 50% or less of the equity interest in the cogeneration facility is owned by a public utility, a subsidiary of a public utility or an affiliate of a public utility.

1-A. <u>Associate</u>. "Associate" means any person or corporation other than a public utility that substantially participates in the ownership or operation of a cogeneration or small power production facility, or any person or corporation that contracts to receive the thermal output of a cogeneration facility.

1-B. Existing transmission and distribution line improvement costs. "Existing transmission and distribution line improvement costs" means any costs the utility reasonably incurs for upgrading and improving transmission and distribution lines and related facilities that are already operable as part of that utility's existing power grid.

1-C. Interconnection costs. "Interconnection costs" means the reasonable costs incurred solely due to connecting the qualifying facility with the existing facilities of the electric utility purchasing the power. Interconnection costs do not include the costs of improvements to existing transmission and distribution lines.

1-D. Municipal solid waste. "Municipal solid waste" means solid waste emanating from domestic and commercial sources within the State over which municipalities are authorized to exercise control.

1-E. Municipal solid waste energy recovery facility. "Municipal solid waste energy recovery facility" means a "small power producer," as defined by this chapter, which depends upon municipal solid waste for its primary source of energy. For the purposes of this definition, "primary" means at least 50%.

2. <u>Renewable resources.</u> "Renewable resources" mean resources that are capable of being reproduced, replenished or restored following the use of these resources and resources that are inexhaustible. Renewable resources shall include biomass, wood, water, waste, <u>solid waste</u>, as defined by Title 38, section 1303, solar and wind, but shall exclude nuclear fuel sources, coal and oil.

3. <u>Small power producer</u>. "Small power producer" means a municipality, person or corporation owning or

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operating a power production facility with a power production capacity which, together with any other facilities located at the same site, does not exceed 80 megawatts of electricity and which depends upon renewable resources for its primary source of energy. For purposes of this chapter, a power producer shall not be considered a "small power producer" if more than 50% of the equity interest in the power production facility is owned by a public utility, a subsidiary of a public utility or an affiliate of a public utility.

Sec. 3. 35 MRSA §2326, as repealed and replaced by PL 1981, c. 450, §7, is amended to read:

§2326. Transactions

The rate paid by the public utility for the purchase of electricity as described in this section shall be determined by the small power producer or cogenerator and the public utility electric company or cooperative. In the event that the small power producer or cogenerator and the public utility electric company or cooperative are unable to agree to а contract for electricity, or to a price for the electricity purchased by the public utility, or to an equitable apportionment of existing transmission and distribution line improvement costs, the commission shall require the utility to purchase the power at such rates and under such terms as the commission shall establish by rule or order. <u>In the event competing petitions are filed by small power producers</u> or cogenerators which are otherwise equivalent with respect to the standards set forth in section 2327, and implementing rules promulgated by the commission, the commission may give preference to any such facility that is fueled primarily by municipal solid The equitable apportionment of existing waste. transmission and distribution line improvement costs by the commission shall be based upon the benefits to the small power producer or cogenerator and the pubutility electric company or cooperative. The lic commission shall render a decision within 90 days from receipt of a petition signed by a small power producer, cogenerator, public utility electric compaelectric cooperative for commission ny or intercession.

Effective July 25, 1984.