

MAINE STATE LEGISLATURE

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STATE OF MAINE
128TH LEGISLATURE
FIRST SPECIAL, SECOND REGULAR AND SECOND SPECIAL SESSIONS



Summaries of bills, adopted amendments and laws enacted or finally passed

**JOINT STANDING COMMITTEE ON ENERGY, UTILITIES
AND TECHNOLOGY**

October 2018

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STATE OF MAINE

128TH LEGISLATURE

FIRST SPECIAL, SECOND REGULAR AND SECOND SPECIAL SESSIONS



LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* contain summaries of all LDs and adopted amendments and all laws enacted or finally passed during the First Special, Second Regular and Second Special Sessions of the 128th Maine Legislature.

The *Digest* is arranged alphabetically by committee and within each committee by Legislative Document (LD) number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each LD title. All adopted amendments are summarized and listed by paper number. A subject index is included with each committee. An appendix provides a summary of relevant session statistics.

Final action on each LD is noted to the right of the LD title. The following describes the various final actions.

CARRIED OVER..... carried over to a subsequent session of the Legislature
CON RES XXX..... chapter # of constitutional resolution passed by both houses
CONF CMTE UNABLE TO AGREE..... Committee of Conference unable to agree; legislation died
DIED BETWEEN HOUSES..... House & Senate disagreed; legislation died
DIED IN CONCURRENCE..... defeated in each house, but on different motions; legislation died
DIED ON ADJOURNMENT..... action incomplete when session ended; legislation died
EMERGENCY..... enacted law takes effect sooner than 90 days after session adjournment
FAILED, EMERGENCY ENACTMENT or FINAL PASSAGE..... emergency failed to receive required 2/3 vote
FAILED, ENACTMENT or FINAL PASSAGE..... failed to receive final majority vote
FAILED, MANDATE ENACTMENT..... legislation proposing local mandate failed required 2/3 vote
HELD BY GOVERNOR..... Governor has not signed; final disposition to be determined at subsequent session
LEAVE TO WITHDRAW..... sponsor's request to withdraw legislation granted
NOT PROPERLY BEFORE THE BODY..... ruled out of order by the presiding officer; legislation died
INDEF PP..... indefinitely postponed; legislation died
ONTP, ACCEPTED, MAJORITY, MINORITY or REPORT X... ought-not-to-pass report accepted; legislation died
P&S XXX..... chapter # of enacted private & special law
PUBLIC XXX..... chapter # of enacted public law
RESOLVE XXX..... chapter # of finally passed resolve
VETO SUSTAINED..... Legislature failed to override Governor's veto

The effective dates for non-emergency legislation enacted in the First Special, Second Regular or Second Special Sessions of the 128th Legislature are: Monday, February 5, 2018; Wednesday, August 1, 2018; and Thursday, December 13, 2018, respectively. The effective date for legislation enacted as an emergency measure may be found in the enacted law summary for that legislation.

Joint Standing Committee on Energy, Utilities and Technology

This bill repeals the provisions of law establishing and governing the ConnectME Authority and establishes the Maine Broadband Initiative as a nonprofit corporation with public and charitable purposes to encourage, promote, stimulate, invest in and support universal high-speed broadband to unserved and underserved areas of the State. The initiative is governed by a board of directors. The bill establishes the Maine Broadband Initiative Fund, which is funded by assessments on communications service providers and tax assessments on qualified telecommunications equipment of telecommunications businesses. The bill provides for a transition from the ConnectME Authority to the new Maine Broadband Initiative.

Committee Amendment "A" (S-223)

This amendment makes the following changes to the bill.

1. It clarifies the process for the appointment and confirmation of the Maine Broadband Initiative director by requiring that the Governor appoint a person who has experience in the management of organizations that maximize partnerships and collaborations. The amendment also provides that the appointee is subject to review by the joint standing committee of the Legislature having jurisdiction over public utilities and technology matters rather than telecommunications and broadband matters and must be confirmed by the Legislature rather than the Board of Directors of the Maine Broadband Initiative.
2. It changes the definition of "unserved area" to mean an area within the State that has an actual broadband speed that is slower than ten megabits per second, rather than 25 megabits as in the bill.
3. It removes a policy and goal of the Maine Broadband Initiative from the bill.
4. It changes the criteria that the Governor must consider when making an appointment to the Board of Directors of the Maine Broadband Initiative.
5. It removes the provision in the bill that allows appointment of directors of the Board of Directors of the Maine Broadband Initiative by the Speaker of the House of Representatives and the President of the Senate.
6. It further changes the composition of the membership of the Board of Directors of the Maine Broadband Initiative.
7. It limits administrative costs of the Maine Broadband Initiative to no more than 10% of the annual funds received from the Maine Broadband Initiative Fund.
8. It changes the date from July 1st to September 1st as it relates to the crediting of the tax assessment by the State Tax Assessor to the Maine Broadband Initiative Fund.
9. It adds an appropriations and allocations section.

LD 1444 An Act To Prohibit Gross Metering

Veto Sustained

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
WOODSOME D BERRY S	OTP-AM OTP-AM	S-359

This bill was carried over from the First Regular Session to the Second Regular Session of the 128th Legislature.

This bill directs the Public Utilities Commission to enter into long-term contracts with a duration of 20 years for the procurement of 120 megawatts of large-scale community solar distributed generation resources by 2022.

Joint Standing Committee on Energy, Utilities and Technology

The bill designates a standard buyer, which the bill specifies is the investor-owned transmission and distribution utility in its service territory. The bill allows the commission to designate another entity as the standard buyer if the commission determines it is in the best interest of ratepayers to do so. The purpose of the standard buyer is to purchase the output of large-scale community solar distributed generation resources, aggregate the portfolio of distributed generation resources procured and sell or use the output of these resources in a manner that maximizes the value of this portfolio of resources to all ratepayers.

The bill directs the commission to conduct an initial competitive solicitation for 30 megawatts of output of large-scale community solar distributed generation by March 1, 2018. The bill directs the commission and standard buyer to develop a contract prior to a solicitation that will ensure that projects proceed to commercial operation on a reasonable timeline and commits all parties to commercially reasonable behavior.

The bill gives the commission authority to establish requirements for bidder eligibility and standards to ensure competition in the bidding process. The bill also specifies that if the solicitation is determined competitive the commission must select one or more winning bids and direct the standard buyer to negotiate and enter into a contract with the winning bidder or bidders. If the commission concludes the solicitation is not competitive, no bidders may be selected and the capacity available in that solicitation must be deferred to a subsequent solicitation. The bill requires the commission to select bids that maximize the benefits or minimize the costs to all ratepayers.

The bill requires after the first solicitation that the highest bid rate awarded a contract is the standard solar rate. For each subsequent procurement for 30 megawatts of large-scale community solar distributed generation resources, the commission must establish a declining block rate by reducing the rate awarded in the previous procurement by up to 3%. Bidders in subsequent procurement must submit both a standard bid rate and a discounted bid rate. The bill specifies that if the total bids received in the aggregate is for less than 30 megawatts in subsequent solicitations, contracts will be awarded to all bidders at the applicable declining block rate; however, if the total bids received in the aggregate is for more than 30 megawatts, preference will be given to those bidders with the lowest discounted bid rate and contracts must be awarded to all selected bidders at the lowest qualified discounted bid rate. The bill requires that if there are multiple bids at the same discounted bid rate, preference will be given to the project that was submitted first, as determined by the time stamp showing when the bid was received by the commission.

The bill specifies that the bill credit allocated to a subscriber to a particular large-scale community solar distributed generation resource must be based on each subscriber's percentage interest of the total production of the large-scale community solar distributed generation resource for the previous month. The bill requires the project sponsor to provide to the transmission and distribution utility, on a monthly basis, the information required to calculate the bill credit to be provided to each subscriber. The bill includes provisions on how payments to a subscriber must be credited against the subscriber's monthly electricity bill.

The bill requires the Public Utilities Commission to adopt routine technical rules regarding the procurement of large-scale community solar distributed generation resources by January 1, 2018.

Committee Amendment "A" (S-359)

This amendment is the majority report of the committee, and it replaces the bill and changes the title. It prohibits a transmission and distribution utility from requiring a customer to meter the gross output of a facility used for net energy billing purposes in order to participate in net energy billing. It specifies that net energy is calculated based on the difference between the kilowatt-hours delivered by a transmission and distribution utility to a customer over a single billing period and the kilowatt-hours exported by that customer to the transmission and distribution utility over the same billing period, taking into account unused kilowatt-hour credits. In the service territory of an investor-owned transmission and distribution utility, it limits the number of net energy billing customers that may participate in net energy billing through a shared interest or the number of meters associated with a shared interest to 50 until July 1, 2020. It requires the Public Utilities Commission to amend its net energy billing rules by October 1, 2018 to conform with these provisions. It prohibits the commission from making any other changes to its net energy billing rules until July 1, 2020.

Joint Standing Committee on Energy, Utilities and Technology

Committee Amendment "B" (S-360)

This amendment is the minority report of the committee, and it replaces the bill and changes the title. It does the following regarding net energy billing.

1. It allows an eligible customer to elect net energy billing until December 31, 2018, after which time no new net energy billing arrangements may be allowed.
2. It allows net energy billing arrangements entered into prior to January 1, 2019, to remain in effect until December 31, 2033.
3. It prohibits a transmission and distribution utility from requiring a customer to meter the gross output of an eligible facility in order to participate in net energy billing.
4. It limits to 50 the number of eligible customers that may participate in a single shared interest in an eligible facility or the number of meters associated with a single shared interest, except in the service territory of a transmission and distribution utility located in an area administered by the independent system administrator for northern Maine.

The amendment establishes a market-based crediting system for energy generated by eligible facilities. It requires the Public Utilities Commission to adopt rules to allow an eligible customer to receive a monetary credit for energy generated by an eligible facility in excess of the customer's usage and exported to the grid at the real-time wholesale market price of that energy. As in the provisions relating to net energy billing, a transmission and distribution utility is prohibited from requiring a customer to meter the gross output of an eligible facility in order to participate in the crediting system, and the number of eligible customers that may participate in a single shared interest in an eligible facility, or the number of meters associated with a single shared interest, is limited to 50. The amendment exempts a transmission and distribution utility located in an area administered by the independent system administrator for northern Maine, or any successor of the independent system administrator for northern Maine, from using this crediting system until the Public Utilities Commission determines the utility's billing system can perform the necessary functions to implement the system. It requires the commission to consider whether an alternative system to the crediting system for northern Maine could be developed and utilized in the interim period before the utility's billing system is modified to allow a market-based crediting system.

It requires the Public Utilities Commission to procure, to the maximum extent possible, 20 megawatts of large-scale community solar distributed generation resources. It requires that the contract rate be calculated annually and that no contract may be for more than 6¢ per kilowatt-hour or the average wholesale electricity rate over the preceding 12 months, whichever is less.

Lastly, it requires the Public Utilities Commission to conduct an analysis of the costs and benefits to ratepayers for both net energy billing and the market-based crediting system in an adjudicatory proceeding and to report those findings to the joint standing committee of the Legislature having jurisdiction over utilities and energy matters no later than March 1, 2019.

**LD 1472 An Act To Lower the Costs of Broadband Service by Coordinating the
Installation of Broadband Infrastructure**

PUBLIC 344

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MCLEAN A	OTP-AM	H-643

This bill was carried over from the First Regular Session to the Second Regular Session of the 128th Legislature.