

MAINE STATE LEGISLATURE

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STATE OF MAINE
129TH LEGISLATURE
FIRST REGULAR SESSION



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

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

August 2019

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STATE OF MAINE

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LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* contains summaries of all LDs and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 129th 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 date for non-emergency legislation enacted in the First Regular Session of the 129th Legislature is Thursday, September 19, 2019. 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

LD 1683 An Act To Clarify the Definitions of Consumer-owned Utilities

**PUBLIC 311
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GROHOSKI N LAWRENCE M	OTP-AM	H-478

This bill amends the definition of consumer-owned transmission and distribution utility to clarify that the utility must be wholly owned by consumers who reside in the service territory of the utility and that any municipal or quasi-municipal ownership must be of a municipality or quasi-municipal entity located in the State.

Committee Amendment "A" (H-478)

This amendment amends the definition of "consumer-owned transmission and distribution utility" in the bill. The amendment specifies that a consumer-owned transmission and distribution utility is wholly owned by its consumers, including its consumers served by the utility in this State. The amendment also adds a provision to amend the definition of "consumer-owned water utility" in the same way and makes other clarifying changes to the language in the bill.

Enacted Law Summary

Public Law 2019, chapter 311 amends the definitions of "consumer-owned transmission and distribution utility" and "consumer-water utility" to specify that a consumer-owned utility is wholly owned by its consumers, including its consumers served by the utility in this State.

Public Law 2019, chapter 311 was enacted as an emergency measure effective June 17, 2019.

LD 1711 An Act To Promote Solar Energy Projects and Distributed Generation Resources in Maine

PUBLIC 478

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
DOW D COREY P	OTP-AM ONTP	S-295

This bill makes changes to the laws governing net energy billing and the Maine Solar Energy Act, including:

1. Establishing parameters on the financial interest and limits of accounts for net energy billing;
2. Directing the Public Utilities Commission to establish a pilot program implementing a tariff rate for nonresidential customers of new distributed generation resources if the commission determines a tariff rate is the most cost-effective manner possible to promote the development of distributed generation resources;
3. Amending the Maine Solar Energy Act by: adding specific measures to support solar energy; establishing a standard buyer designation and detailing the standard buyer's obligations and cost allocation; directing the Public Utilities Commission to procure 125 megawatts for the output of distributed generation resources associated with commercial or institutional customer accounts through a bid solicitation process; directing the Public Utilities Commission to procure 250 megawatts for the output of large-scale shared distributed generation resources through a bid solicitation process; and detailing the process by which credits are applied to a customer's bill and how entities that own or operate a large-scale shared distributed generation resource on behalf of customers that own a proportional interest in the large-scale shared distributed generation resource may recover costs incurred on behalf of an investor-owned transmission and distribution utility;

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4. Directing the Public Utilities Commission to report to the Legislature the results of the implemented tariff rates for distributed generation resources and the status of metering and billing system capabilities for investor-owned transmission and distribution utilities;
5. Directing the Public Utilities Commission to evaluate net energy billing when the total amount of generation capacity involved in net energy billing in the State reaches 8% of the total maximum load of transmission and distribution utilities in the State;
6. Directing the Public Utilities Commission to solicit bids for long-term contracts to supply up to 400 megawatts of electricity from solar energy projects; and
7. Directing the Executive Department, Governor's Energy Office to make recommendations to the Legislature regarding long-term contracts for installed capacity and associated renewable energy and renewable energy credits produced by solar energy projects.

Committee Amendment "A" (S-295)

This amendment is the majority report of the committee. The amendment replaces the bill and does the following:

1. Changes the net energy billing law to: allow a customer to participate if the customer has a financial interest in a distributed generation resource, which is defined as a generator with a capacity of less than five megawatts that uses a renewable resource and is located in the service territory of a transmission and distribution utility in this State; permit any number of customers of an investor-owned transmission and distribution utility to share the financial interest, except in the northern Maine grid, where the limit is 10, unless the Public Utilities Commission finds the utility system can accommodate a higher number; and add a new commercial and institutional net energy billing program that provides for a tariff rate for the energy exported by the distributed generation resource that is based on the applicable standard offer rate for the customer plus a percentage of the transmission and distribution utility rate for a specific class of customers;
2. Requires the Public Utilities Commission to report on metering and billing issues to the joint standing committee on utilities and energy and to evaluate net energy billing when certain events occur;
3. Creates a requirement for the procurement of distributed generation resources by each investor-owned electric utility, or by a separate buyer, if one is designated by the commission. The amendment: directs procurements of 125 megawatts of output associated with commercial and institutional accounts and 250 megawatts of shared distributed generation resources to be achieved by July 1, 2024; directs that procurements must be through a competitive bidding process with solicitations for certain blocks of output and contract rates, after the first block, set in declining relation to the previous block; provides procedures to address cases of under-procurement for any block; requires subscriptions to certain portions of shared distributed generation resources to satisfy certain minimum requirements related to the types and sizes of subscribers or subscriptions; and provides for consumer protections and transparency requirements; and
4. Adds an appropriations and allocations section.

Enacted Law Summary

Public Law 2019, chapter 478 makes several changes to net energy billing and requires procurement of distributed generation resources.

It changes the net energy billing law to: allow a customer to participate if the customer has a financial interest in a distributed generation resource, which is defined as a generator with a capacity of less than five megawatts that uses a renewable resource and is located in the service territory of a transmission and distribution utility in this State; permit any number of customers of an investor-owned transmission and distribution utility to share the financial interest, except in the northern Maine grid, where the limit is 10, unless the Public Utilities Commission finds the

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utility system can accommodate a higher number; and add a new commercial and institutional net energy billing program that provides for a tariff rate for the energy exported by the distributed generation resource that is based on the applicable standard offer rate for the customer plus a percentage of the transmission and distribution utility rate for a specific class of customers. It also requires the Public Utilities Commission to report on metering and billing issues to the joint standing committee on utilities and energy and to evaluate net energy billing when certain events occur.

This law also requires the procurement of distributed generation resources by each investor-owned electric utility, or by a separate buyer, if one is designated by the commission. Specifically, it requires procurements of 125 megawatts of output associated with commercial and institutional accounts and 250 megawatts of shared distributed generation resources to be achieved by July 1, 2024. It directs that these procurements must be through a competitive bidding process with solicitations for certain blocks of output and contract rates, after the first block, set in declining relation to the previous block and provides procedures to address cases of under-procurement for any block. It requires subscriptions to certain portions of shared distributed generation resources to satisfy certain minimum requirements related to the types and sizes of subscribers or subscriptions and provides for consumer protections and transparency requirements.

LD 1720 An Act To Amend the So-called Dig Safe Law

PUBLIC 322

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
LAWRENCE M BERRY S	OTP	

This bill requires excavators to call 9-1-1 if contact with or damage to an underground pipe or another underground facility results in the escape of any natural gas or other hazardous substance or material regulated by the United States Department of Transportation, Pipeline and Hazardous Materials Safety Administration.

Enacted Law Summary

Public Law 322 requires excavators to call 9-1-1 if contact with or damage to an underground pipe or another underground facility results in the escape of any natural gas or other hazardous substance or material regulated by the United States Department of Transportation, Pipeline and Hazardous Materials Safety Administration.

LD 1741 Resolve, Directing the Public Utilities Commission To Examine Performance-based Rates for Electric Utilities

CARRIED OVER

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GIDEON S LAWRENCE M		

This resolve requires the Public Utilities Commission to open a proceeding to examine the rate plans of each investor-owned transmission and distribution utility in the State. The commission is directed to examine rate design, existing performance metrics and any incentives for efficient operation that are currently in place for each investor-owned transmission and distribution utility and to specifically consider performance measures including a utility's reliability, billing accuracy, level of renewable energy generation integration and customer satisfaction. Based on its review, the commission shall determine the appropriateness of any reasonable rate-adjustment mechanisms, including enhanced positive and negative financial incentives linked to performance.

This bill was carried over to any special or regular session, or both, of the 129th Legislature by joint order, H.P. 1322.