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**ENERGY, UTILITIES AND TECHNOLOGY**

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**STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
128TH LEGISLATURE  
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to H.P. 744, L.D. 1061, Bill, “An Act To Increase Investment and Regulatory Stability in the Electric Industry”

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

**Sec. 1. 35-A MRS §3210-C, sub-§1, ¶F-1** is enacted to read:

F-1. "Term sheet" means a preliminary document that outlines the terms of a proposal accepted under a request for proposals that is not binding on the parties but assists the parties in drafting a final agreement based upon the accepted proposal.

**Sec. 2. 35-A MRS §3210-C, sub-§3**, as amended by PL 2013, c. 424, Pt. A, §20, is further amended to read:

**3. Commission authority.** The commission may direct investor-owned transmission and distribution utilities to enter into long-term contracts for:

A. Capacity resources;

B. Any available energy associated with capacity resources contracted under paragraph A:

(1) To the extent necessary to fulfill the policy of subsection 2, paragraph A; or

(2) If the commission determines appropriate for purposes of supplying or lowering the cost of standard-offer service or otherwise lowering the cost of electricity for the ratepayers in the State. Available energy contracted pursuant to this subparagraph may be sold into the wholesale electricity market in conjunction with solicitations for standard-offer supply bids; ~~and~~

C. Any available renewable energy credits associated with capacity resources contracted under paragraph A. The price paid by the investor-owned transmission and distribution utility for the renewable energy credits must be lower than the price received for those renewable energy credits at the time they are sold by the investor-owned transmission and distribution utility; and

**COMMITTEE AMENDMENT**

1            D. Transmission capacity, capacity resources, energy or renewable energy credits  
2            pursuant to a regional procurement process in conjunction with other states.

3            The commission may permit, but may not require, investor-owned transmission and  
4            distribution utilities to enter into contracts for differences that are designed and intended  
5            to buffer ratepayers in the State from potential negative impacts from transmission  
6            development. To the greatest extent possible, the commission shall develop procedures  
7            for long-term contracts for investor-owned transmission and distribution utilities under  
8            this subsection having the same legal and financial effect as the procedures used for  
9            standard-offer service pursuant to section 3212 for investor-owned transmission and  
10           distribution utilities.

11           The commission may enter into contracts for interruptible, demand response or energy  
12           efficiency capacity resources. These contracts are not subject to the rules of the State  
13           Purchasing Agent. In a competitive solicitation conducted pursuant to subsection 6, the  
14           commission shall allow transmission and distribution utilities to submit bids for  
15           interruptible or demand response capacity resources.

16           Capacity resources contracted under this subsection may not exceed the amount  
17           necessary to ensure the reliability of the electric grid of this State, to meet the energy  
18           efficiency program budget allocations articulated in the triennial plan as approved by the  
19           commission pursuant to section 10104, subsection 4 or any annual update plan approved  
20           by the commission pursuant to section 10104, subsection 6 or to lower customer costs as  
21           determined by the commission pursuant to rules adopted under subsection 10.

22           Unless the commission determines the public interest requires otherwise, a capacity  
23           resource may not be contracted under this subsection unless the commission determines  
24           that the capacity resource is recognized as a capacity resource for purposes of any  
25           regional or federal capacity requirements.

26           The commission shall ensure that any long-term contract authorized under this subsection  
27           is consistent with the State's goals for greenhouse gas reduction under Title 38, section  
28           576 and the regional greenhouse gas initiative as described in the state climate action plan  
29           required in Title 38, section 577.

30           By January 1st of each year, the commission shall submit a report to the joint standing  
31           committee of the Legislature having jurisdiction over energy and utilities matters on the  
32           procurement of transmission capacity, capacity resources, energy and renewable energy  
33           credits in the preceding 12 months under this subsection, the Community-based  
34           Renewable Energy Act and deep-water offshore wind energy pilot projects under Public  
35           Law 2009, chapter 615, Part A, section 6, as amended by Public Law 2013, chapter 369,  
36           Part H, sections 1 and 2 and chapter 378, sections 4 to 6. The report must contain  
37           information including, but not limited to, the number of requests for proposals by the  
38           commission for long-term contracts, the number of responses to requests for proposals  
39           pursuant to which a contract has been finalized, the number of executed term sheets or  
40           contracts resulting from the requests for proposals, the commission's initial estimates of  
41           ratepayer costs or savings associated with any approved term sheet, actual ratepayer costs  
42           or savings for the previous year associated with any procurement, the total ratepayer costs  
43           or savings at the time of the report and the megawatt-hours, renewable energy credits or  
44           capacity produced or procured through contracts. The report must also include a plan for  
45           the succeeding 12 months pertaining to the procurement of capacity resources, energy

1 and renewable energy credits, including dates for requests for proposals, and types of  
2 resources to be procured.'

3 **SUMMARY**

4 This amendment replaces the bill. It removes the provisions of sections 3 through 6,  
5 and retains the provisions of section 1, from the bill. This amendment also removes  
6 language from the provisions of section 2 of the bill regarding the State's goals for  
7 greenhouse gas reduction as it relates to an annual report from the Public Utilities  
8 Commission to the joint standing committee of the Legislature having jurisdiction over  
9 energy and utilities matters. This amendment also adds to that annual report reporting  
10 requirements for the Public Utilities Commission, including information regarding the  
11 Community-based Renewable Energy Act and deep-water offshore wind energy pilot  
12 projects.