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Date: (Filing No. S-)

ENERGY, UTILITIES AND TECHNOLOGY

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**STATE OF MAINE
SENATE
131ST LEGISLATURE
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to S.P. 584, L.D. 1465, “An Act to Amend the Calculation of Tariff Rates and Billing Credits Under Net Energy Billing”

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

'An Act to Allow the Public Utilities Commission to Determine Tariff Rates Under Net Energy Billing'

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

'Sec. 1. 35-A MRSA §3209-B, sub-§5, as amended by PL 2021, c. 659, §19, is further amended to read:

5. Tariff rate; bill credits. The commission shall establish by rule tariff rates for customers participating in the program. The initial tariff rate must be established no later than December 1, 2019.

A. ~~The~~ Except as otherwise provided by the commission pursuant to subsection 9, the tariff rate for a customer participating in net energy billing with a distributed generation resource described in this paragraph must equal the standard-offer service rate established under section 3212 that is applicable to the customer receiving the credit plus 75% of the effective transmission and distribution rate for the rate class that includes the smallest commercial customers of the investor-owned transmission and distribution utility. The tariff rate under this paragraph applies to net energy billing with a distributed generation resource:

- (1) With a nameplate capacity of greater than one megawatt if:
 - (a) The entity developing the distributed generation resource certifies by affidavit with accompanying documentation to the commission that the entity, before September 1, 2022, commenced on-site physical work of a significant nature on the distributed generation resource and the entity has made and will continue to make continuous on-site construction efforts to advance toward completion of the distributed generation resource. For the purpose of this

COMMITTEE AMENDMENT

1 paragraph, continuous on-site construction efforts include, but are not limited
2 to, in the context of a solar facility, the continuous installation of racks or other
3 structures to affix photovoltaic panels, collectors or solar cells to a site. The
4 commission may share information contained in the affidavit submitted in
5 accordance with this paragraph with a transmission and distribution utility, as
6 necessary, to verify a distributed generation resource's compliance with this
7 section. In administering this subsection, the commission may adopt rules
8 including, but not limited to, requiring the entity that submits a sworn affidavit
9 under this subparagraph to provide updated documentation to the commission
10 after submission of the affidavit; or

11 (b) The distributed generation resource is collocated with a net energy billing
12 customer that is or net energy billing customers that are subscribed to at least
13 50% of the facility's output; or

14 (2) With a nameplate capacity of one megawatt or less.

15 A-1. The Except as otherwise provided by the commission pursuant to subsection 9,
16 the tariff rate for a customer participating in net energy billing under this section with
17 a distributed generation resource not governed by paragraph A must:

18 (1) In 2022, equal the standard-offer service rate established pursuant to section
19 3212 that was applicable to the rate class of the customer receiving the credit on
20 December 31, 2020 plus 75% of the effective transmission and distribution rate
21 that was in effect on December 31, 2020 for the rate class that includes the smallest
22 commercial customers of the investor-owned transmission and distribution utility;
23 and

24 (2) Increase by 2.25% on January 1st of each subsequent year, beginning January
25 1, 2023.

26 B. A customer participating in the program must receive for electricity delivered to
27 the electric grid from a distributed generation resource in which the customer has a
28 financial interest a bill credit based on the tariff rate to apply against the costs of
29 electricity delivered to the customer by the investor-owned transmission and
30 distribution utility.

31 C. A bill credit under the program as described in paragraph B may be applied to any
32 portion of a customer's electricity bill. Credits that remain unused at the end of any
33 billing period may be carried forward for up to one year from the end of that billing
34 period.

35 D. A customer participating in the program who remains eligible to participate in the
36 program must be allowed to receive a bill credit based on the tariff rate for a period of
37 no less than 20 years from the date of first receiving the credit.

38 **Sec. 2. 35-A MRSA §3209-B, sub-§9** is enacted to read:

39 **9. Review of compensation; rules.** Notwithstanding any provision of this section to
40 the contrary, the commission may periodically review and alter by rule the amount of
41 compensation, which may include a bill credit based on the tariff rate, that a customer with
42 a financial interest in a distributed generation resource receives as a result of participating
43 in net energy billing under this section. In making any alteration under this subsection, the
44 commission shall use a standard or representative distributed generation resource to assess

1 the amount of compensation provided in accordance with subsection 5 and shall ensure that
2 any alteration provides a reasonable opportunity for the recovery of reasonable costs, as
3 determined by the commission, and a reasonable rate of return. The commission may not
4 increase any compensation above the lowest amount that would be received under this
5 section absent this subsection. Rules adopted pursuant to this subsection are major
6 substantive rules as defined in Title 5, chapter 375, subchapter 2-A.'

7 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section
8 number to read consecutively.

9 **SUMMARY**

10 This amendment replaces the bill and changes the title. The amendment provides that
11 the Public Utilities Commission may periodically review and alter, by major substantive
12 rule, the amount of compensation that a customer with a financial interest in a distributed
13 generation resource receives as a result of participating in the tariff rate net energy billing
14 program under the Maine Revised Statutes, Title 35-A, section 3209-B.

15 **FISCAL NOTE REQUIRED**

16 **(See attached)**