An Act To Establish the Maine Climate Change Council To Assist Maine To Mitigate, Prepare for and Adapt to Climate Change

Reference to the Committee on Environment and Natural Resources suggested and ordered printed.

Presented by Senator WOODSOME of York. (GOVERNOR'S BILL)
Be it enacted by the People of the State of Maine as follows:

Sec. 1.  5 MRSA §12004-I, sub-§24-G is enacted to read:

24-G.

Sec. 2.  35-A MRSA §3210, sub-§§1-A and 1-B are enacted to read:

1-A.  Percentage from renewable resources: 2030.  By January 1, 2030, 80% of electricity consumed in the State must come from renewable resources.

1-B.  Percentage from renewable resources: 2050.  By January 1, 2050, 100% of electricity consumed in the State must come from renewable resources.

Sec. 3.  35-A MRSA §3210-C, sub-§3, as amended by PL 2017, c. 134, §2, 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;

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

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

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

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

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

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

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

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

Sec. 4. 35-A MRSA §3402, sub-§1, ¶A, as amended by PL 2009, c. 615, Pt. A, §2, is further amended to read:
A. Wind energy is an economically feasible, large-scale energy resource that does not rely on fossil fuel combustion or nuclear fission, thereby displacing electrical energy provided by these other sources and avoiding air pollution, waste disposal problems and hazards to human health from emissions, waste and by-products; consequently, wind energy development may address energy needs while making a significant contribution to achievement of the State's renewable energy and greenhouse gas reduction objectives, including those in Title 38, section §76 576-A;

Sec. 5. 35-A MRSA §10104, sub-§4, ¶F, as repealed and replaced by PL 2013, c. 369, Pt. A, §13, is amended to read:

F. It is an objective of the triennial plan to design, coordinate and integrate sustained energy efficiency and weatherization programs that are available to all energy consumers in the State and to users of all fuel types. The plan must set forth the costs and benefits of energy efficiency programs that advance the following goals, and funding necessary to meet those goals:

(1) Reducing energy costs, including residential heating costs;

(2) Weatherizing substantially all homes whose owners or occupants are willing to participate in and share the costs of cost-effective home weatherization to a minimum standard of weatherization, as defined by the trust, by 2030;

(3) Reducing peak-load demand for electricity through trust programs by 300 megawatts by 2020;

(4) By 2020, achieving electricity and natural gas program savings of at least 20% and heating fuel savings of at least 20%, as defined in and determined pursuant to the measures of performance approved by the commission under section 10120;

(5) Creating stable private sector jobs providing alternative energy and energy efficiency products and services in the State by 2020; and

(6) Reducing greenhouse gas emissions from the heating and cooling of buildings in the State by amounts consistent with the State's goals established in Title 38, section §76 576-A.

The trust shall preserve when possible and appropriate the opportunity for carbon emission reductions to be monetized and sold into a voluntary carbon market. Any program of the trust that supports weatherization of buildings must be voluntary and may not constitute a mandate that would prevent the sale of emission reductions generated through weatherization measures into a voluntary carbon market.

Except when specifically provided in the individual goals under this paragraph, the trust may consider expected savings from market effects not attributable to the trust as well as efforts by other organizations, including but not limited to federally funded low-income weatherization programs.

As used in this paragraph, "heating fuel" means liquefied petroleum gas, kerosene or #2 heating oil, but does not include fuels when used for industrial or manufacturing processes.
Sec. 6. 38 MRSA §574, sub-§§1-A to 1-C are enacted to read:

1-A. Climate action plan. "Climate action plan" means the state plan adopted under this chapter.

1-B. Gross annual greenhouse gas emissions. "Gross annual greenhouse gas emissions" means the total amount of greenhouse gases emitted by all sources within the State each year.

1-C. Net annual greenhouse gas emissions. "Net annual greenhouse gas emissions" means gross annual greenhouse gas emissions less the total amount of greenhouse gases absorbed each year by plants and natural ecosystems, including, but not limited to, trees, crops, soil and wetlands within the State.

Sec. 7. 38 MRSA §576, as enacted by PL 2003, c. 237, §1, is repealed.

Sec. 8. 38 MRSA §576-A is enacted to read:

§576-A. Greenhouse gas emissions reductions

1. Interim emissions levels. By January 1, 2030, the State shall reduce gross annual greenhouse gas emissions to at least 45% below the 1990 gross annual greenhouse gas emissions level.

2. 2050 annual emissions level. By January 1, 2050, the State shall reduce gross annual greenhouse gas emissions to at least 80% below the 1990 gross annual greenhouse gas emissions level.

3. Monitoring and reporting rules. By July 1, 2021, the department shall adopt rules to track and report to the Legislature on gross and net annual greenhouse gas emissions. As recommended by the Maine Climate Change Council, as established in Title 5, section 12004-I, subsection 24-G, or as determined necessary by the commissioner, the department shall adopt rules to ensure compliance with the levels established by and pursuant to subsections 1 and 2. These rules may establish a mechanism for crediting voluntary measures that quantifiably and reliably sequester additional carbon in forests, farms and coastal lands in the State or by the use of materials that sequester additional carbon. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

Sec. 9. 38 MRSA §577, as enacted by PL 2003, c. 237, §1, is amended to read:

§577. Climate action plan; update

By July 1, 2004, the department, with input from stakeholders, shall adopt a state climate action plan to meet the reduction goals specified in section 576 for greenhouse gas emissions. The action plan must address reduction in each sector in cost-effective ways and must allow sustainably managed forestry, agricultural and other natural resource activities to be used to sequester greenhouse gas emissions. The department shall submit the action plan to the joint standing committee of the Legislature having jurisdiction over natural resources matters.
1. **Update plan.** By December 1, 2020, and every 4 years thereafter, the Maine Climate Change Council, as established in Title 5, section 12004-I, subsection 24-G and referred to in this section as "the council," with input from stakeholders, shall update the state climate action plan under this section and shall include in the plan strategies to meet the reduction levels specified in section 576-A.

2. **Evaluation of strategies.** In updating the climate action plan, the council shall evaluate strategies to reduce gross and net annual greenhouse gas emissions consistent with the reduction levels in section 576-A. The council shall quantitatively analyze and report on the technical feasibility and cost-effectiveness of each strategy. To fund the analysis and work of the council, the council may solicit and receive financial support from the public and from private and nonprofit organizations.

3. **Mitigation strategies.** The updated climate action plan must address climate change mitigation strategies. The council shall update mitigation strategies for reducing the emission of greenhouse gases in the State, including updating the strategies for greenhouse gas mitigation included in the plan and identifying new strategies by applying the latest scientific and technological information available related to climate change.

4. **Adaptation and resilience strategies.** The updated climate action plan must address the impacts of climate change upon the State and provide strategies and actions for climate adaptation and resiliency. These strategies must include implementation guidelines that:
   
   A. Prioritize the welfare of the State's citizens and visitors and recognize and foster the value of the State's natural resources;
   
   B. Encourage diversity, inclusion and equity;
   
   C. Provide education and training opportunities when appropriate;
   
   D. Build upon existing global, national and state plans and partnerships for addressing climate adaptation, emergency preparedness and disaster risk reduction;
   
   E. Encourage investments that prevent and proactively mitigate risk;
   
   F. Encourage, foster and utilize the most recent scientific and technical information available; and
   
   G. Incorporate means for measuring progress.

5. **Effects of climate change.** The updated climate action plan must provide the latest information on climate change effects in the State as well as the sectors, ecosystems and communities most at risk.

6. **Submission of plan.** The council shall submit the climate action plan and any recommended legislation to the joint standing committee of the Legislature having jurisdiction over natural resources matters. Upon receipt and review of the plan, the joint standing committee may report out a bill to the Legislature.

7. **Objectives.** In identifying the preferred strategies to include in the updated climate action plan, the council shall give consideration to the following objectives:
A. Pursuing cost-effective, technologically feasible and equitable greenhouse gas emissions reduction pathways and adaptation and preparedness strategies, informed by scientific and technical expertise;

B. Pursuing actions that minimize deleterious effects, including those on low-income and moderate-income persons, to public health and the environment and that support economic sectors that face the biggest barriers to emissions reductions and creating, when feasible, additional employment and economic growth in the State;

C. Ensuring equity for all sectors and regions of the State and that the broadest group of residents benefit from the achievement of the levels in section 576-A and the long-term goal in section 576-A, subsection 2, with consideration of economic, quality-of-life and public health benefits;

D. Encouraging the use of natural solutions to reduce net annual greenhouse gas emissions and increase resiliency, such as solutions related to forests, farms and coastal lands in the State and materials that sequester carbon;

E. Maximizing involvement in interstate and regional initiatives and programs designed to reduce regional greenhouse gas emissions;

F. Supporting industries, technology and training that will allow workers and companies in the State to benefit from carbon reduction solutions through jobs and economic activity; and

G. Planning for adaptation and resilience strategies that will prepare the State's communities, infrastructure and industries for current and anticipated effects of climate change.

8. Use of existing data. In updating the climate action plan, the council shall draw upon existing state data and studies, including, but not limited to, analyses and data from the 2004 climate action plan and the 2010 adaptation plan developed by the department and the evaluations of the State's progress toward meeting greenhouse gas emissions levels under section 578, the comprehensive state energy plan pursuant to Title 2, section 9, subsection 3, paragraph C and the Efficiency Maine Trust's triennial plan pursuant to Title 35-A, section 10104, subsection 4.

9. Funding. The council may solicit and receive financial support, including funding from government agencies and private and nonprofit organizations and foundations.

Sec. 10. 38 MRSA §577-A is enacted to read:

§577-A. Maine Climate Change Council

The Maine Climate Change Council, referred to in this section as "the council," is created to advise the Governor and Legislature on ways to mitigate the causes of, prepare for and adapt to the consequences of climate change.

1. Membership. The council's membership consists of the following members:
A. Two members of the Senate, appointed by the President of the Senate, including one member of each of the 2 parties holding the most seats in the Senate;

B. Two members of the House, appointed by the Speaker of the House, including one member of each of the 2 parties holding the most seats in the House;

C. The Director of the Governor's Office of Policy and Management, or the director's designee;

D. The Commissioner of Administrative and Financial Services, or the commissioner's designee;

E. The Commissioner of Agriculture, Conservation and Forestry, or the commissioner's designee;

F. The Commissioner of Economic and Community Development, or the commissioner's designee;

G. The Commissioner of Environmental Protection, or the commissioner's designee;

H. The Commissioner of Inland Fisheries and Wildlife, or the commissioner's designee;

I. The Commissioner of Marine Resources, or the commissioner's designee;

J. The Commissioner of Transportation, or the commissioner's designee;

K. The Commissioner of Defense, Veterans and Emergency Management, or the commissioner's designee;

L. The Commissioner of Education, or the commissioner's designee;

M. The Commissioner of Health and Human Services, or the commissioner's designee;

N. The Director of the Governor's Energy Office, or the director's designee;

O. The director of the Efficiency Maine Trust, or the director's designee;

P. The director of the Maine State Housing Authority, or the director's designee; and

Q. Other members appointed by the Governor representing state interests affected by climate change or with expertise in climate change issues, including:

(1) One member to represent marine fisheries;

(2) One member to represent agriculture;

(3) One member to represent municipal governments;

(4) One member to represent the forestry industry;

(5) One member to represent expertise in Maine's energy sector;

(6) One member to represent Maine's tribes;

(7) One member to represent building or construction trades;

(8) One member to represent the manufacturing industry;

(9) One member to represent organized labor;
(10) Two members to represent business, including one member to represent small business;

(11) Two members to represent environmental nonprofit organizations or private foundations, or both, with a focus on environmental issues;

(12) Two members with expertise in climate change science, including a representative of the University of Maine System;

(13) Two members with expertise in resilience, climate change adaptation, emergency management or disaster risk reduction;

(14) One member to represent Maine's youth; and

(15) Up to 2 other government or public members.

2. Terms. The term of a member appointed pursuant to subsection 1, paragraph Q is 2 years. At the end of a term, a member continues to serve until a successor is appointed.

3. Chair. The Governor shall appoint 2 cochairs from among the members serving pursuant to subsection 1, paragraphs C to M.

4. Removal. The Governor may remove an appointed member for incompetence, misconduct or failure to perform the duties of the position.

5. Steering committee. The council shall establish a steering committee composed of a subset of the council, including, but not limited to, the cochairs and working group chairs.

6. Scientific and Technical Subcommittee. The Scientific and Technical Subcommittee, referred to in this subsection as "the subcommittee," is established to identify, monitor, study and report out relevant data related to climate change in the State and its effects on the State's climate, species, marine and coastal environments and natural landscape and on the oceans and other bodies of water.

The members of the subcommittee must include at least one member of the Senate and one member of the House of Representatives appointed by the presiding officer of the respective chamber of the Legislature and the legislative members must include members of both of the 2 political parties holding the most seats in the Legislature. The cochairs of the council shall appoint as members representatives of scientific and academic institutions, affected and involved businesses and industries, nonprofit organizations and foundations and federal, state and local governments and agencies.

In carrying out its duties, the subcommittee:

A. Shall meet at least every 6 months beginning no later than October 1, 2019 and establish an annual work plan;

B. May seek the advice of experts in fields related to its duties;

C. May create subgroups to provide data and recommendations on specific subtopics related to the subcommittee's duties:
D. Shall review the direct and indirect effects of climate change, including, but not limited to, air temperature changes, sea level rise, ocean and coastal acidification, warming ocean temperatures, increased precipitation and changes in salinity and dissolved oxygen concentrations;

E. Shall review, study and analyze existing scientific literature and data on the direct and indirect effects of climate change and how those effects have directly or indirectly affected communities and public health, marine environments and species, agriculture and forestry and ecosystems and species in the State;

F. Shall identify critical scientific data and knowledge gaps pertaining to the data and monitoring of state-based climate changes and impacts and recommend methods for monitoring;

G. Shall identify and monitor the factors contributing to the effects of climate change, including, but not limited to, the effects caused by coastal and ocean acidification, rising ocean temperatures and changes in salinity and dissolved oxygen concentrations;

H. Shall identify methods and protocols to mitigate direct and indirect effects of climate change on the State's species;

I. Shall establish science-based sea level rise projections for the State's coastal areas by December 1, 2020 and update them at least every 4 years;

J. Shall create maps that indicate the areas of the State that may be most affected by storm surges, ocean and river flooding and extreme weather events and make these maps publicly available on a website maintained by the Department of Agriculture, Conservation and Forestry, Maine Geological Survey; and

K. Shall analyze and identify options for quantifying carbon sequestration and emissions associated with biomass growth, management and utilization in upland and marine environments.

7. Working groups. The council shall establish the following working groups:

A. A transportation working group;

B. A coastal and marine working group;

C. A buildings, infrastructure and housing working group;

D. A working lands and ecosystems working group;

E. An energy working group; and

F. Other working groups as needed.

Each working group must include at least one member of the Senate and one member of the House of Representatives appointed by the presiding officer of the respective chamber of the Legislature and the legislative members must include members of both of the 2 political parties holding the most seats in the Legislature. The cochairs of the council shall appoint as members representatives of scientific and academic institutions, affected and involved businesses and industries, nonprofit organizations and foundations and federal, state and local governments and agencies.
Each working group shall meet at least every 6 months, beginning no later than October 1, 2019 and shall establish an annual work plan.

8. Consideration of subcommittee and working group actions by council. The council shall consider and prioritize actions of the Scientific and Technical Subcommittee established in subsection 6 and the working groups established in subsection 7, including:

A. Developing the State's climate action plan in accordance with section 577;

B. Developing recommendations for legislation;

C. Soliciting input from members of the public when developing the State's climate action plan and communicating with the public on progress and actions;

D. Developing broad public and private partnerships with local, state and federal agencies;

E. Addressing any disproportionate impacts of climate change on low-income and vulnerable communities;

F. Assessing the impacts that climate change may have on the State's economy, revenues and investment decisions;

G. Assessing the need for utilities and other public and private service providers throughout the State to adjust their operating practices and investment strategies to increase their resiliency to climate change impacts;

H. Maximizing infrastructure, energy and new technologies for mitigation and adaptation options that come from state sources or create jobs in the State, or both;

I. Assessing the impacts that climate change may have on agriculture, fishing, forestry and other natural resource-based industries in the State and how those industries might best adapt to preserve those industries and the communities they support;

J. Recommending short-term and long-term strategies to mitigate the causes of and prepare for and adapt to the consequences of climate change;

K. Developing a plan to encourage and prepare for transitions in transportation, including both low-carbon and no-carbon technologies, and the changes in infrastructure required to accommodate those technologies, as well as infrastructure changes required as the result of climate disruption;

L. Developing and recommending strategies to address and prepare for coastal and coastal watershed hazards, including, but not limited to, ocean and coastal acidification, increased storm surges, extreme precipitation and other extreme weather events, projected sea level rise and increased river flooding and storm water runoff and the risks such hazards pose to municipalities, the coastal economy and state assets;

M. Developing and supporting new and existing programs, codes and incentives that encourage increased energy efficiency and lower carbon emissions from the State's public and private buildings and businesses;
N. Assisting local governments and other constituents in supporting regional and community-scale climate vulnerability assessments and the development of specific strategies and integration of specific strategies into local plans and ordinances;

O. Encouraging programming in State Government and in municipal governments that allows the State to lead the way in demonstrating initiatives that reduce carbon emissions;

P. Establishing comprehensive and accountable annual working group work plans that set annual goals and performance benchmarks and prioritize new and existing climate change mitigation, preparedness actions and initiatives and report these out to stakeholders and the public;

Q. Convening regular steering committee, working group and full council meetings to ensure that sufficient progress is being made across all sectors and communities in the State; and

R. Considering other related matters as the council determines to be necessary.

9. Funds. The council and the Scientific and Technical Subcommittee established in subsection 6 and its working groups established in subsection 7 may solicit and receive financial support, including funding from government agencies, nonprofit organizations and foundations and other entities, to fulfill their responsibilities under this section.

Sec. 11. 38 MRSA §578, as amended by PL 2013, c. 415, §5, is further amended to read:

§578. Progress evaluation

By January 1, 2006 and by that date every 2 years thereafter, the The Maine Climate Change Council, established under section 577-A, or the department, shall evaluate the State's progress toward meeting the reduction goals specified in section 576, review the cost-effectiveness of the actions taken toward meeting the reduction goals and shall amend the action plan as necessary to ensure that the State can meet the reduction goals 576-A and progress toward implementing the climate action plan in section 577. The department shall submit a report of its evaluation to the joint standing committee of the Legislature having jurisdiction over natural resources matters and the joint standing committee of the Legislature having jurisdiction over utilities and energy matters by January 1, 2016 December 1, 2022 and by that date every 2 years thereafter. The council, or the department, may recommend other metrics to share the progress on climate mitigation and adaptation strategies with the Legislature and public. The joint standing committee of the Legislature having jurisdiction over natural resources matters is authorized to report out legislation relating to the evaluation to the second regular session of any Legislature. The joint standing committee of the Legislature having jurisdiction over utilities and energy matters may make recommendations to the joint standing committee of the Legislature having jurisdiction over natural resources matters regarding that legislation. Starting no earlier than January 1, 2008, the department may recommend to the joint standing committee of the Legislature having jurisdiction over natural resources matters that the reduction goals specified in section 576 be increased or decreased.
Sec. 12. Meetings of Scientific and Technical Subcommittee.

Notwithstanding the Maine Revised Statutes, Title 10, section 577-A, subsection 6, paragraph A, the Scientific and Technical Subcommittee of the Maine Climate Change Council shall meet at least 4 times before July 1, 2020.

SUMMARY

This bill:

1. Establishes the Maine Climate Change Council to assist Maine to mitigate, prepare for and adapt to climate change;

2. Provides that by January 1, 2030 80% of electricity consumed in the State must come from renewable resources and by January 1, 2050 100% of electricity consumed in the State must come from renewable resources;

3. Updates the greenhouse gas emissions reductions required in statute; and

4. Requires that the state climate action plan be updated by December 1, 2020 and every 4 years thereafter.