



132nd MAINE LEGISLATURE

FIRST SPECIAL SESSION-2025

Legislative Document

No. 1321

H.P. 856

House of Representatives, March 27, 2025

**An Act to Reform Net Energy Billing by Establishing Limitations on
the Programs' Duration and Compensation**

Reference to the Committee on Energy, Utilities and Technology suggested and ordered printed.

A handwritten signature in cursive script that reads "Robert B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative FOSTER of Dexter.
Cosponsored by Senator STEWART of Aroostook and
Representatives: FAULKINGHAM of Winter Harbor, MCINTYRE of Lowell, PAUL of
Winterport, WADSWORTH of Hiram, Senators: BRADSTREET of Kennebec,
HARRINGTON of York.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 35-A MRSA §3209-A, sub-§1, ¶C**, as enacted by PL 2019, c. 478, Pt. A,
3 §3, is amended to read:

4 C. "Net energy billing" means a billing and metering practice under which a customer
5 is billed on the basis of the difference between the supply charges for the kilowatt-hours
6 delivered by a transmission and distribution utility to the customer over a billing period
7 and the credit amount for kilowatt-hours delivered by the customer to the transmission
8 and distribution utility over the billing period, taking into account accumulated unused
9 kilowatt-hour credits from the previous billing period.

10 **Sec. 2. 35-A MRSA §3209-A, sub-§1, ¶E** is enacted to read:

11 E. "Renewable energy credit" has the same meaning as in section 3210, subsection 2,
12 paragraph B-2.

13 **Sec. 3. 35-A MRSA §3209-A, sub-§10** is enacted to read:

14 **10. Applicability to projects of more than 20 kilowatts.** After November 1, 2025,
15 unless the entity proposing the development of a distributed generation resource is granted
16 a good-cause exemption due to external delays in accordance with subsection 7 or 9, a
17 distributed generation resource may not be used for net energy billing under this section if
18 the nameplate capacity of the distributed generation resource is more than 20 kilowatts.

19 A. Notwithstanding any provision of this section to the contrary, the number of
20 customers or meters is limited to 10 for a shared financial interest in a distributed
21 generation resource participating in net energy billing pursuant to this subsection.

22 B. A customer participating in net energy billing pursuant to this subsection may not,
23 at one time, have a financial interest in more than 5 distributed generation resources
24 that have net energy billing arrangements.

25 **Sec. 4. 35-A MRSA §3209-A, sub-§11** is enacted to read:

26 **11. Net energy billing termination.** Notwithstanding any provision of law to the
27 contrary, a person may not participate or, if participating, may no longer participate, in net
28 energy billing under this section after the earlier of:

29 A. Twenty years from the date a net energy billing agreement between the entity
30 proposing the development of the distributed generation resource and the transmission
31 and distribution utility was executed; and

32 B. December 31, 2045.

33 **Sec. 5. 35-A MRSA §3209-A, sub-§12** is enacted to read:

34 **12. Renewable energy credits; sale required.** A project sponsor, owner of a
35 distributed generation resource or other entity operating a distributed generation resource
36 with a net energy billing arrangement under this section shall sell any renewable energy
37 credits generated by the distributed generation resource and may not sell outside of the
38 State any renewable energy credits generated by the distributed generation resource.

39 **Sec. 6. 35-A MRSA §3209-B, sub-§5, ¶A**, as amended by PL 2021, c. 659, §19,
40 is further amended to read:

1 A. The tariff rate for a customer participating in net energy billing with a distributed
2 generation resource described in this paragraph must equal the standard-offer service
3 supply rate established under section 3212 that is applicable to the customer receiving
4 the credit plus 75% of the effective transmission and distribution rate for the rate class
5 that includes the smallest commercial customers of the investor-owned transmission
6 and distribution utility. The tariff rate under this paragraph applies to net energy billing
7 with a distributed generation resource:

8 (1) With a nameplate capacity of greater than one megawatt if:

9 (a) The entity developing the distributed generation resource certifies by
10 affidavit with accompanying documentation to the commission that the entity,
11 before September 1, 2022, commenced on-site physical work of a significant
12 nature on the distributed generation resource and the entity has made and will
13 continue to make continuous on-site construction efforts to advance toward
14 completion of the distributed generation resource. For the purpose of this
15 paragraph, continuous on-site construction efforts include, but are not limited
16 to, in the context of a solar facility, the continuous installation of racks or other
17 structures to affix photovoltaic panels, collectors or solar cells to a site. The
18 commission may share information contained in the affidavit submitted in
19 accordance with this paragraph with a transmission and distribution utility, as
20 necessary, to verify a distributed generation resource's compliance with this
21 section. In administering this subsection, the commission may adopt rules
22 including, but not limited to, requiring the entity that submits a sworn affidavit
23 under this subparagraph to provide updated documentation to the commission
24 after submission of the affidavit; or

25 (b) The distributed generation resource is collocated with a net energy billing
26 customer that is or net energy billing customers that are subscribed to at least
27 50% of the facility's output; or

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

29 **Sec. 7. 35-A MRSA §3209-B, sub-§5, ¶A-1**, as enacted by PL 2021, c. 659, §19,
30 is amended to read:

31 A-1. The tariff rate for a customer participating in net energy billing under this section
32 with a distributed generation resource not governed by paragraph A must: equal the
33 standard-offer service supply rate established pursuant to section 3212 that was
34 applicable to the rate class of the customer receiving the credit on December 31, 2020.

35 ~~(1) In 2022, equal the standard offer service rate established pursuant to section~~
36 ~~3212 that was applicable to the rate class of the customer receiving the credit on~~
37 ~~December 31, 2020 plus 75% of the effective transmission and distribution rate~~
38 ~~that was in effect on December 31, 2020 for the rate class that includes the smallest~~
39 ~~commercial customers of the investor-owned transmission and distribution utility;~~
40 ~~and~~

41 ~~(2) Increase by 2.25% on January 1st of each subsequent year, beginning January~~
42 ~~1, 2023.~~

43 **Sec. 8. 35-A MRSA §3209-B, sub-§9** is enacted to read:

