

# 131st MAINE LEGISLATURE

## FIRST SPECIAL SESSION-2023

**Legislative Document** 

No. 1724

S.P. 688

In Senate, April 20, 2023

## An Act to Enact the Beneficial Electrification Policy Act

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

DAREK M. GRANT Secretary of the Senate

Presented by Senator GROHOSKI of Hancock.

Cosponsored by Representatives: FOSTER of Dexter, KESSLER of South Portland.

1	Be it enacted by the People of the State of Maine as follows:
2	Sec. 1. 35-A MRSA c. 38 is enacted to read:
3	CHAPTER 38
4	BENEFICIAL ELECTRIFICATION POLICY ACT
5	§3801. Short title
6	This chapter may be known and cited as "the Beneficial Electrification Policy Act."
7	§3802. Policy of beneficial electrification
8 9 10 11 12 13 14 15 16	The policy of beneficial electrification is the use or adoption of technologies and processes to power consumer end uses with electricity in a manner that will lower overall energy costs for consumers and lower emission of greenhouse gases and other pollutants, without negatively impacting grid reliability, as determined by the commission. If a policy or decision has the effect of increasing electricity rates over the life of measures enacted by the policy or decision that would otherwise be considered beneficial electrification, that policy or decision is presumed to be not consistent with the policy of beneficial electrification unless the commission determines that the policy or decision is necessary and prudent with respect to the beneficial electrification and the State's economy.
17	§3803. Support for the policy of beneficial electrification
18	The State shall support the policy of beneficial electrification pursuant to this section.
19 20 21	1. Consideration of policy. The commission shall consider the policy of beneficial electrification in regulating utilities subject to this Title and in meeting greenhouse gas reduction goals under Title 38, section 576-A.
22 23 24 25 26 27 28 29 30 31 32 33 34 35	2. Beneficial electrification. Notwithstanding any provision of law to the contrary, the commission shall develop and implement a multi-year plan to promote beneficial electrification. The plan may include phasing in procurement of renewable generation of energy to accommodate growth in the electric load. The Efficiency Maine Trust shall develop a 3-year beneficial electrification plan as part of the trust's triennial plan or a standalone plan to facilitate the implementation of the policy of beneficial electrification. The commission shall incorporate the trust's plan into the multi-year plan. The commission may use money from any source to implement the plan established under this subsection. The commission shall propose and approve surcharges on energy production, distribution or consumption that the commission determines are necessary for the cost-effective implementation of beneficial electrification consistent with the plans. The commission may transfer money or order money to be paid directly to the trust or other state agencies to implement the plans and shall require annual reporting of money requests, transfers and expenditures.
36	3. Monitoring beneficial electrification trends and opportunities. To the extent

3. Monitoring beneficial electrification trends and opportunities. To the extent possible through readily available information, the commission and the Efficiency Maine Trust shall coordinate to monitor:

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39 40 A. The level of beneficial electrification activity in relation to the cost-effective developments, policies and programs in section 3804;

B. Basic trends in beneficial electrification; and

- C. The likely relative costs and benefits for ratepayers from implementation of various beneficial electrification programs and opportunities.
- 4. Coordination between agencies. Within existing programs and resources, the Small Enterprise Growth Program, as established in Title 10, chapter 13; the Maine Technology Institute, as established in Title 5, section 12004-G, subsection 33-D; the Maine Rural Development Authority, as established in Title 5, section 12004-F, subsection 18; the Finance Authority of Maine, as established in Title 10, chapter 110; and the Department of Economic and Community Development shall coordinate with the commission and the Efficiency Maine Trust to seek opportunities to promote investment in the adoption and development of beneficial electrification.
- 5. Supplier consolidated billing. Notwithstanding any provision of law to the contrary, the commission shall adopt rules that require the standard-offer service providers under section 3212 and competitive electricity providers to offer and allow residential electricity consumers to elect supplier consolidated billing for retail electricity service. The commission shall adopt rules to encourage providers to provide electricity supply options to allow consumers choice in time of use rates for electricity supply and otherwise personalize consumer energy consumption. For purposes of this subsection, "supplier consolidated billing" means a practice through which a competitive electricity provider calculates and issues bills for transmission and distribution service and electric supply upon request of a consumer and with the agreement of the competitive electricity provider.

### §3804. Cost-effective developments, policies and programs

Notwithstanding any provision of law to the contrary, the commission shall pursue cost-effective developments, policies and programs that implement the policy of beneficial electrification to meaningfully contribute to reducing the State's dependence on imported energy sources, provide economic and climate benefits for all ratepayers regardless of income level, adapt the procurement of energy generation consistent with the policy of beneficial electrification and implement consumer financing systems that support greater consumer choice for beneficial electrification applications while ensuring consumer protections and empowering energy consumers. To the extent practicable, the commission shall balance the acquisition of renewable electricity with the reasonably expected increased use of renewable electricity by retail electricity consumers.

#### §3805. Reporting

The commission shall include a summary of its activities with regard to beneficial electrification in its annual report to the joint standing committee of the Legislature having jurisdiction over energy matters.

#### **§3806. Rules**

- The commission shall adopt rules to implement this chapter. Rules adopted pursuant to this section are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.
- **Sec. 2. 35-A MRSA §10104, sub-§2, ¶C,** as enacted by PL 2009, c. 372, Pt. B, §3, is amended to read:
  - C. The efficiency with which programs are planned, designed, overseen and delivered is maximized; and

- **Sec. 3. 35-A MRSA §10104, sub-§2, ¶D,** as enacted by PL 2009, c. 372, Pt. B, §3, is amended to read:
  - D. Sufficient checks and balances are provided to ensure consistency with public policy and accountability for meeting the principles set out in paragraphs A to C and E so that energy efficiency programs in the State are sustainable for the long term-; and
  - Sec. 4. 35-A MRSA §10104, sub-§2, ¶E is enacted to read:
  - E. Programs are planned and implemented to advance the policy of beneficial electrification as described by chapter 38.
- **Sec. 5. 35-A MRSA §10104, sub-§11,** as enacted by PL 2009, c. 372, Pt. B, §3, is amended to read:
- 11. Other duties. The trust shall do all things necessary or convenient to carry out the lawful purposes of the trust. The trust shall perform any action assigned to the trust by the commission to implement the policy of beneficial electrification described by chapter 38.
- **Sec. 6. Study; report required.** The Public Utilities Commission shall conduct a study on how to most cost-effectively provide consumer financing of beneficial electrification products, including items for energy efficiency, home or business energy storage, electric vehicle charging equipment and other distributed energy products through the Efficiency Maine Trust or through on-bill financing by standard-offer service providers or competitive electricity providers. No later than December 6, 2023, the Public Utilities Commission shall submit to the Joint Standing Committee on Energy, Utilities and Technology a report on implementing supplier consolidated billing to support beneficial electrification as required by the Maine Revised Statutes, Title 35-A, section 3803, subsection 5 and the study on consumer financing required by this section.

25 SUMMARY

This bill describes the policy of beneficial electrification and requires that the Public Utilities Commission, Efficiency Maine Trust and other state agencies implement certain policies and programs to support the policy of beneficial electrification. The bill requires the Public Utilities Commission to study certain options for consumer financing of beneficial electrification products and to submit a report to the Legislature on implementing supplier consolidated billing to support beneficial electrification and on the results of the consumer finance study.