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S.P. 738

In Senate, May 5, 2025

An Act to Advance a Clean Energy Economy by Updating Renewable and Clean Resource Procurement Laws

Received by the Secretary of the Senate on May 1, 2025. Referred to the Committee on Energy, Utilities and Technology pursuant to Joint Rule 308.2 and ordered printed.

A handwritten signature in black ink, appearing to read "D M Grant", is positioned above the printed name of the Secretary of the Senate.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator LAWRENCE of York.

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

2 **Sec. 1. 2 MRSA §9, sub-§8** is enacted to read:

3 **8. Procurement of renewable and clean resources.** Beginning January 1, 2026, and
4 every 2 years thereafter, the office shall conduct one or more competitive solicitations
5 during the following 2-year period to procure energy or associated environmental attributes
6 or a combination of both from renewable and clean resources through long-term contracts
7 if the office determines procurement is necessary to achieve the emissions reduction and
8 renewable and clean energy goals of the State and to meet reasonably expected growth in
9 electricity demand and reliability needs. Unless another entity is designated as the primary
10 responsible entity or the office has not made a determination in accordance with the office's
11 comprehensive state energy plan under subsection 3, paragraph C within any 4-year period
12 after January 1, 2027, the office is the primary entity responsible for initiating and
13 conducting new procurements for renewable and clean resources, which may include
14 energy storage as well as related transmission.

15 A. If the office determines one or more competitive solicitations are necessary based
16 on the comprehensive state energy plan required pursuant to subsection 3 and related
17 analysis, the office shall initiate solicitations in order to select resources for contracts
18 under this subsection. The office shall propose the resource types and amounts,
19 timetables and methods for solicitations of long-term contracts using a competitive
20 bidding process, and the office shall seek public comment on a draft proposal, in
21 addition to other means such as requests for information, prior to publishing any final
22 solicitation.

23 B. The office may hire expert consultants necessary to assist in the development of the
24 solicitation and evaluation of proposals.

25 C. A solicitation may be coordinated with other state agencies or transmission and
26 distribution utilities and with other New England states or entities designated by those
27 states.

28 D. The office may coordinate with other entities, including, but not limited to, state
29 agencies, the Office of the Public Advocate, expert consultants, transmission and
30 distribution utilities, other New England states and the independent system operator of
31 the New England bulk power system, in the evaluation and selection of proposals under
32 this subsection. In evaluating proposals, the office shall determine if proposals:

33 (1) Provide cost-effective clean energy generation to electric ratepayers in the State
34 and the region over the term of the contract;

35 (2) Provide the benefits of renewable or clean energy generation or transmission
36 toward meeting the State's emissions reduction goals;

37 (3) Contribute to the State's economic and workforce development goals;

38 (4) Where possible, avoid, minimize or mitigate environmental impacts and
39 impacts to low-income populations; and

40 (5) Adequately demonstrate project viability within a commercially reasonable
41 time frame.

1 E. Transmission and distribution utilities shall enter into negotiations with bidders
2 whose proposals are selected by the office for a term sheet. Negotiated contracts must
3 be submitted to the Public Utilities Commission for review and approval.

4 F. If the Public Utilities Commission determines that a proposed contract under
5 paragraph E is consistent with the term sheet approved by the office, is commercially
6 reasonable and adequately protects ratepayers, the commission shall approve the
7 contract and order transmission and distribution utilities to enter into the contract.

8 G. The office may require bidders to pay a reasonable and nonrefundable bidding fee
9 to defray the office's administrative costs associated with the solicitation. Any bidding
10 fee must be set forth in the announcement for the applicable solicitation.

11 **Sec. 2. 2 MRSA §9, sub-§9** is enacted to read:

12 **9. Rulemaking.** The office may adopt rules as necessary for the proper administration
13 of this section. Rules adopted pursuant to this subsection are routine technical rules as
14 defined in Title 5, chapter 375, subchapter 2-A.

15 **Sec. 3. 35-A MRSA §116, sub-§10** is enacted to read:

16 **10. Governor's Energy Office special assessment.** Each investor-owned
17 transmission and distribution utility subject to assessment under this section is subject to
18 an additional annual assessment on its intrastate gross operating revenues to produce
19 sufficient revenue for expenditures of the Governor's Energy Office for contracted services
20 and administrative costs associated with the procurement of renewable and clean resources
21 pursuant to Title 2, section 9, subsection 8. Revenue produced from the assessments must
22 be used only for purposes specified in this section.

23 A. The Governor's Energy Office shall submit its budget recommendations, using a
24 zero-based budgeting process or other process or method directed by the State Budget
25 Officer, as part of the unified current services budget legislation in accordance with
26 Title 5, sections 1663 to 1666. The assessments and expenditures provided in this
27 section are subject to legislative approval. The Governor's Energy Office shall make
28 an annual report of its planned expenditures for the year and on its use of funds in the
29 previous year. The Governor's Energy Office may also receive other funds as
30 appropriated by the Legislature or from other available resources.

31 B. Funds that are not expended at the end of a fiscal year do not lapse but must be
32 carried forward to be expended for the purposes specified in this section in succeeding
33 fiscal years.

34 **Sec. 4. 35-A MRSA §3210, sub-§1,** as amended by PL 1999, c. 398, Pt. I, §1, is
35 further amended to read:

36 **1. Policy.** In order to ensure an adequate and reliable supply of electricity for Maine
37 residents and to encourage the use of renewable, clean, efficient and indigenous resources,
38 it is the policy of this State to encourage the generation of electricity from renewable, clean
39 and efficient sources and to diversify electricity production on which residents of this State
40 rely in a manner consistent with this section.

41 **Sec. 5. 35-A MRSA §3210, sub-§1-A, ¶B,** as enacted by PL 2019, c. 477, §1, is
42 amended to read:

1 B. By January 1, 2050, ~~100%~~ 2040, 90% of retail sales electricity in the State will
2 come from renewable resources and 10% of retail sales electricity in the State will
3 come from clean resources.

4 **Sec. 6. 35-A MRSA §3210, sub-§2, ¶A-4** is enacted to read:

5 A-4. "Class III resource" or "clean resource" means a Class I resource, a Class IA
6 resource or a source of electrical generation that:

7 (1) Generates power that can physically be delivered to the control region in which
8 the New England Power Pool, or its successor as approved by the Federal Energy
9 Regulatory Commission, has authority over transmission, or to the Maritimes
10 Control Area; and

11 (2) Has been certified by the Governor's Energy Office in accordance with an
12 emissions-based definition adopted by rule or order by the Department of
13 Environmental Protection.

14 **Sec. 7. 35-A MRSA §3210, sub-§2, ¶A-5** is enacted to read:

15 A-5. "Clean energy credit" means a tradable instrument that represents an amount of
16 electricity generated from an eligible Class III resource.

17 **Sec. 8. 35-A MRSA §3210, sub-§2,** as amended by PL 2019, c. 477, §1, is further
18 amended by amending the first blocked paragraph to read:

19 The commission shall establish by rule or order standards and procedures necessary to
20 implement any definition under this subsection, including but not limited to certifications
21 and performance and verification standards necessary for purposes of paragraphs B-4, D
22 and E, and excluding paragraphs A-4 and A-5. Rules adopted under this subsection are
23 routine technical rules pursuant to Title 5, chapter 375, subchapter 2-A.

24 **Sec. 9. 35-A MRSA §3210, sub-§2,** as amended by PL 2019, c. 477, §1, is further
25 amended by enacting at the end a new last blocked paragraph to read:

26 The Department of Environmental Protection, in coordination with the Governor's Energy
27 Office, shall establish by rule or order standards and procedures necessary to implement
28 the definition under paragraph A-4 and verification standards necessary for purposes of
29 paragraph A-5. Rules adopted under this subsection are routine technical rules pursuant to
30 Title 5, chapter 375, subchapter 2-A.

31 **Sec. 10. 35-A MRSA §3210, sub-§3-B, ¶A,** as enacted by PL 2019, c. 477, §1, is
32 amended to read:

33 A. Except as provided in paragraph B, beginning January 1, 2020, as a condition of
34 licensing pursuant to section 3203, each competitive electricity provider in this State
35 must demonstrate in a manner satisfactory to the commission that the percentage of its
36 portfolio of supply sources for retail electricity sales in this State, other than to
37 customers who have made an election pursuant to subsection 10 that is in effect with
38 respect to this subsection, accounted for by Class IA resources is as follows:

39 (1) Two and one-half percent for the period from January 1, 2020 to December
40 31, 2020;

41 (2) Five percent for the period from January 1, 2021 to December 31, 2021;

- (3) Eight percent for the period from January 1, 2022 to December 31, 2022;
- (4) Eleven percent for the period from January 1, 2023 to December 31, 2023;
- (5) Fifteen percent for the period from January 1, 2024 to December 31, 2024;
- (6) Nineteen percent for the period from January 1, 2025 to December 31, 2025;
- (7) Twenty-three percent for the period from January 1, 2026 to December 31, 2026;
- (8) Twenty-seven percent for the period from January 1, 2027 to December 31, 2027;
- (9) Thirty-one percent for the period from January 1, 2028 to December 31, 2028;
- (10) Thirty-five percent for the period from January 1, 2029 to December 31, 2029;
and
- (11) Forty percent for the period from January 1, 2030 to December 31, 2030 ~~and each year thereafter.;~~
- (12) Forty-one percent for the period from January 1, 2031 to December 31, 2031;
- (13) Forty-two percent for the period from January 1, 2032 to December 31, 2032;
- (14) Forty-three percent for the period from January 1, 2033 to December 31, 2033;
- (15) Forty-four percent for the period from January 1, 2034 to December 31, 2034;
- (16) Forty-five percent for the period from January 1, 2035 to December 31, 2035;
- (17) Forty-six percent for the period from January 1, 2036 to December 31, 2036;
- (18) Forty-seven percent for the period from January 1, 2037 to December 31, 2037;
- (19) Forty-eight percent for the period from January 1, 2038 to December 31, 2038;
- (20) Forty-nine percent for the period from January 1, 2039 to December 31, 2039;
and
- (21) Fifty percent for the period from January 1, 2040 to December 31, 2040 and each year thereafter.

Class IA resources used to satisfy the requirements of this paragraph may not be used to satisfy the requirements of subsection 3 or 3-A.

Sec. 11. 35-A MRSA §3210, sub-§3-D is enacted to read:

3-D. Portfolio requirements; Class III resources. Portfolio requirements for Class III resources are governed by this subsection.

A. Each competitive electricity provider must, in addition to meeting the other portfolio requirements of subsections 3, 3-A, 3-B and 3-C, demonstrate in a manner satisfactory to the commission that it has purchased Class III renewable energy credits in an amount at least equal to the following percentages of its portfolio of supply sources for retail electricity sales in this State:

1 (1) For calendar year 2031, 1%;
2 (2) For calendar year 2032, 2%;
3 (3) For calendar year 2033, 3%;
4 (4) For calendar year 2034, 4%;
5 (5) For calendar year 2035, 5%;
6 (6) For calendar year 2036, 6%;
7 (7) For calendar year 2037, 7%;
8 (8) For calendar year 2038, 8%;
9 (9) For calendar year 2039, 9%; and
10 (10) For calendar year 2040, and each year thereafter, 10%.
11 Retail electricity sales pursuant to a supply contract or standard-offer service
12 arrangement executed by a competitive electricity provider that is in effect on
13 September 30, 2025 are exempt from the requirements of this subsection until the end
14 date of the existing term of the supply contract or standard-offer service arrangement.
15 Class I or IA resources used to satisfy the requirements of this paragraph may not be
16 used to satisfy the requirements of subsection 3 or 3-A.
17 B. Suspensions of scheduled increases in the portfolio requirements as provided in
18 paragraph A are governed by this paragraph.
19 (1) If by March 31, 2031 and every 2 years thereafter the commission determines
20 that investment in Class III resources in the preceding 2 calendar years has not
21 been sufficient for competitive electricity providers to meet the portfolio
22 requirements under paragraph A and that the resulting use of clean energy credits
23 pursuant to subsection 8 or the alternative compliance payment mechanism
24 pursuant to subsection 9, or both of these methods, has burdened electricity
25 customers in the State without providing the benefits of new Class III resources,
26 the commission may suspend all or some of the future scheduled increases in the
27 portfolio requirements under paragraph A.
28 (2) If the commission finds that more than 10% of the obligations required to
29 satisfy the portfolio requirements for Class III resources under paragraph A are met
30 through alternative compliance payments made pursuant to subsection 9 in 3
31 consecutive calendar years, the commission shall temporarily suspend all or some
32 of the future scheduled increases in the portfolio requirements under paragraph A.
33 (3) If the commission suspends any scheduled increases in the portfolio
34 requirements under paragraph A pursuant to subparagraph (1) or (2), the
35 commission shall report its rationale for suspension to the joint standing committee
36 of the Legislature having jurisdiction over energy and utilities matters, the
37 Governor's Energy Office and the Office of the Public Advocate and make
38 recommendations for modifications to the schedule of increases. The commission
39 may resume increases, limited to no more than one percentage point per year over
40 the previous year, in the portfolio requirements after a minimum of one year unless
41 otherwise directed by the Legislature.

1 C. No later than March 31, 2027 and annually thereafter, the commission shall submit
2 a report regarding the status of Class III resources in the State and compliance with the
3 portfolio requirements under paragraph A to the joint standing committee of the
4 Legislature having jurisdiction over utilities and energy matters. The report must
5 include, but is not limited to, a description of Class III resources available to meet the
6 portfolio requirements under paragraph A, documentation of the loss of any existing
7 clean generation capacity in the State, the status of implementation of the portfolio
8 requirements under paragraph A, including any suspensions pursuant to paragraph B,
9 and recommendations to stimulate investment in Class III resources.

10 The commission shall adopt rules to implement this subsection. Rules adopted under this
11 subsection are routine technical rules pursuant to Title 5, chapter 375, subchapter 2-A.

12 **Sec. 12. 35-A MRSA §3210, sub-§7**, as amended by PL 2011, c. 283, §1, is further
13 amended to read:

14 **7. Information.** To the extent that funding is available, the commission shall inform
15 electricity consumers in this State of the benefits of electricity generated in this State using
16 renewable and clean resources and of the opportunities available in this State to purchase
17 electricity that is generated using those resources, including, but not limited to, the green
18 power offer and other green power supply products and renewable energy credit and clean
19 energy credit products certified under section 3212-A 3212-B. The commission may not
20 promote any renewable or clean resources over others. The commission may apply for,
21 receive and expend grant money from the United States Department of Energy and other
22 government agencies for this purpose. The commission may create or cause to be created
23 a brand or logo to identify Maine renewable and clean resources, including the green power
24 offer and other green power supply products and renewable energy credit and clean energy
25 credit products certified under section 3212-A 3212-B, to consumers. The commission
26 shall register any mark or logo created pursuant to this subsection with the United States
27 Patent and Trademark Office or in accordance with Title 10, chapter 301-A, or both. Any
28 brand or logo created pursuant to this subsection may only be used in accordance with the
29 purposes of this subsection as approved by the commission.

30 **Sec. 13. 35-A MRSA §3210, sub-§8**, as amended by PL 2019, c. 477, §1, is further
31 amended to read:

32 **8. Credit trading.** The commission shall allow competitive electricity providers to
33 satisfy the portfolio requirements of subsections 3, 3-A, 3-B and 3-C and 3-D through the
34 use of renewable energy credits and clean energy credits if the commission determines that
35 a reliable system of electrical attribute trading exists. When renewable energy credits are
36 used to satisfy the portfolio requirements of subsections 3 and 3-A, the value of a renewable
37 energy credit for electricity generated by a community-based renewable energy project, as
38 defined in section 3602, that is participating in the community-based renewable energy
39 pilot program established in section 3603 and elects the renewable energy credit multiplier
40 under section 3605 is 150% of the amount of the electricity.

41 **Sec. 14. 35-A MRSA §3210, sub-§9**, as amended by PL 2023, c. 306, §1 and c.
42 361, §2, is further amended to read:

43 **9. Alternative compliance payment.** The commission shall allow competitive
44 electricity providers to satisfy the portfolio requirements for Class I resources under
45 subsection 3-A, Class IA resources under subsection 3-B, thermal renewable energy credits

1 under subsection 3-C ~~and~~, Class II resources under subsection 3 and Class III resources
2 under subsection 3-D through an alternative compliance payment mechanism in
3 accordance with this subsection.

4 A. The commission shall set the alternative compliance payment rates by rule and shall
5 publish the alternative compliance payment rates by January 31st of each year. In
6 setting the rates, the commission shall take into account prevailing market prices,
7 standard-offer service prices for electricity, reliance on alternative compliance
8 payments to meet the requirements of subsections 3, 3-A, 3-B ~~and~~ 3-C and 3-D and
9 investment in Class I, Class IA ~~and~~, Class II and Class III resources and thermal
10 renewable energy credits in the State during the previous calendar year.

11 (1) The alternative compliance payment rate for the requirements under
12 subsections 3-A, 3-B ~~and~~ 3-C and 3-D may not be greater than \$50.

13 (2) The alternative compliance payment rate for the requirement under subsection
14 3 may not be greater than \$10.

15 B. The commission shall collect alternative compliance payments to meet the
16 requirements of subsections 3, 3-A ~~and~~, 3-B and 3-D made by competitive electricity
17 providers and shall use all funds collected under this paragraph to provide financial
18 assistance for low-income households in accordance with section 3214, subsection 2.

19 C. The commission shall collect alternative compliance payments to meet the
20 requirements of subsection 3-C made by competitive electricity providers and shall
21 deposit all funds collected under this paragraph in the Thermal Energy Investment
22 Fund established under section 10128, subsection 2 to be used to fund incentives and
23 low-interest or no-interest loans to businesses, municipalities, educational institutions
24 and nonprofit entities in the State for the installation of new thermal energy-derived
25 projects.

26 The commission shall adopt rules to implement this subsection. Rules adopted to establish
27 the alternative compliance payment rates governed by paragraph A, subparagraphs (1) and
28 (2) routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

29 **Sec. 15. 35-A MRSA §3210, sub-§11**, as amended by PL 2023, c. 321, §1, is
30 further amended to read:

31 **11. Report; renewable energy credit portfolio requirements.** By March 31, 2024
32 and every 3 years thereafter, the Governor's Energy Office shall submit a report to the joint
33 standing committee of the Legislature having jurisdiction over energy matters based on a
34 review, conducted in consultation with the commission, of the status and impacts of the
35 implementation of the portfolio requirements under subsections 3, 3-A, 3-B ~~and~~ 3-C and
36 3-D. The review must be completed through a public process and must include
37 consideration of impacts of these renewable portfolio requirements on energy prices and
38 assessment of benefits, including, but not limited to, on greenhouse gas emissions and the
39 economy of the State. After reviewing the report required under this subsection, the
40 committee may report out legislation regarding renewable portfolio requirements.

41 **Sec. 16. 35-A MRSA §3210-C, sub-§1, ¶A**, as amended by PL 2007, c. 293, §1,
42 is further amended to read:

1 A. "Capacity resource" means any renewable capacity resource, nonrenewable
2 capacity resource, clean resource or interruptible, demand response or energy
3 efficiency capacity resource.

4 **Sec. 17. 35-A MRSA §3210-C, sub-§1, ¶A-2** is enacted to read:

5 A-2. "Clean energy credit" has the same meaning as in section 3210, subsection 2,
6 paragraph A-5.

7 **Sec. 18. 35-A MRSA §3210-C, sub-§1, ¶A-3** is enacted to read:

8 A-3. "Clean resource" has the same meaning as in section 3210, subsection 2,
9 paragraph A-4.

10 **Sec. 19. 35-A MRSA §3210-C, sub-§3, ¶C**, as amended by PL 2017, c. 134, §2,
11 is further amended to read:

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

17 **Sec. 20. 35-A MRSA §3210-C, sub-§3, ¶D**, as enacted by PL 2017, c. 134, §2, is
18 amended to read:

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

21 **Sec. 21. 35-A MRSA §3210-C, sub-§3, ¶E** is enacted to read:

22 E. Clean energy credits associated with clean resources. The price paid by the investor-
23 owned transmission and distribution utility for the clean energy credits must be lower
24 than the price received for those clean energy credits at the time they are sold by the
25 investor-owned transmission and distribution utility.

26 **Sec. 22. 35-A MRSA §3210-C, sub-§3**, as amended by PL 2023, c. 516, Pt. B,
27 §49, is further amended by amending the last blocked paragraph to read:

28 By January 1st of each year, the commission shall submit a report to the joint standing
29 committee of the Legislature having jurisdiction over energy and utilities matters on the
30 procurement of transmission capacity, capacity resources, energy ~~and credits~~, renewable
31 energy credits and clean energy credits in the preceding 12 months under this subsection,
32 resources procured under section 3210-K and deep-water offshore wind energy pilot
33 projects under Public Law 2009, chapter 615, Part A, section 6, as amended by Public Law
34 2013, chapter 369, Part H, sections 1 and 2 and chapter 378, sections 4 to 6. The report
35 must contain information, including, but not limited to, the number of requests for
36 proposals by the commission for long-term contracts, the number of responses to requests
37 for proposals pursuant to which a contract has been finalized, the number of executed term
38 sheets or contracts resulting from the requests for proposals, the commission's initial
39 estimates of ratepayer costs or savings associated with any approved term sheet, actual
40 ratepayer costs or savings for the previous year associated with any procurement, the total
41 ratepayer costs or savings at the time of the report and the megawatt-hours, renewable
42 energy credits or capacity produced or procured through contracts. The report must include

1 actual ratepayer costs or savings for the previous year associated with any contract executed
2 under the Community-based Renewable Energy Act. The report must also include a plan
3 for the succeeding 12 months pertaining to the procurement of capacity resources, energy
4 ~~and credits~~, renewable energy credits and clean energy credits, including dates for requests
5 for proposals, and types of resources to be procured.

6 **Sec. 23. 35-A MRSA §3210-C, sub-§3-A** is enacted to read:

7 **3-A. Regional coordination.** The commission may coordinate with one or more states
8 to procure, through long-term contracts or other mechanisms, transmission capacity,
9 capacity resources, energy credits, renewable energy credits or clean energy credits.

10 **Sec. 24. 35-A MRSA §3210-C, sub-§7**, as amended by PL 2009, c. 518, §5, is
11 further amended to read:

12 **7. Disposition of resources.** An investor-owned transmission and distribution utility
13 shall sell capacity resources, energy or renewable energy credits or clean energy credits
14 purchased pursuant to subsection 3 or 3-A or take other action relative to such capacity
15 resources, energy ~~or credits~~, renewable energy credits or clean energy credits as directed
16 by the commission.

17 **Sec. 25. 35-A MRSA §3210-C, sub-§9**, as amended by PL 2009, c. 518, §6, is
18 further amended to read:

19 **9. Contract payments.** Except as provided in paragraphs A and B, contracts for
20 capacity resources, related energy ~~or credits~~, renewable energy credits or clean energy
21 credits entered into pursuant to this section must provide that payments will be made only
22 after contracted amounts of capacity resources, related energy or renewable energy credits
23 have been provided.

24 A. Contracts with the Efficiency Maine Trust established in section 10103 for energy
25 efficiency capacity resources and related energy entered into pursuant to this section
26 may provide that up to 20% of the total payment be made at the start of the contract.
27 Such contracts must provide that the remaining payments will be made only after the
28 supplier has demonstrated, according to measurement and verification protocols
29 specified in rules adopted by the Efficiency Maine Trust Board pursuant to section
30 10105, subsection 5, that physical installations have been completed and contracted
31 amounts of capacity resources and related energy have been substantiated.

32 B. Contracts with any entity other than the Efficiency Maine Trust established in
33 section 10103 for energy efficiency capacity resources and related energy must provide
34 that payments will be made only after the supplier has demonstrated, according to
35 measurement and verification protocols specified in rules adopted by the Efficiency
36 Maine Trust Board pursuant to section 10105, subsection 5, that physical installations
37 have been completed and contracted amounts of capacity resources and related energy
38 have been substantiated.

39 **Sec. 26. 35-A MRSA §3210-K** is enacted to read:

40 **§3210-K. Renewable energy procurement; repowering and continued maintenance**
41 **of existing resources**

42 The commission shall direct investor-owned transmission and distribution utilities to
43 enter into one or more contracts for energy or renewable energy credits from eligible Class

1 IA resources for the purpose of improving the long-term viability of an existing facility in
2 accordance with this section.

3 **1. Eligible Class IA resource; definition.** As used in this section, "eligible Class IA
4 resource" means a Class IA resource, as defined in section 3210, subsection 2, paragraph
5 A-3, that began commercial operations on or prior to June 30, 2019.

6 **2. Competitive procurement.** The commission shall conduct a competitive
7 solicitation in order to select eligible Class IA resources for contracts under this section.

8 A. Through competitive solicitation under this section, the commission shall procure
9 an amount of energy or renewable energy credits from eligible Class IA resources that
10 is equal to 2% of the retail electricity sales in this State for the period from January 1,
11 2023 to December 31, 2023, as determined by the commission. The commission shall
12 initiate the competitive solicitation by December 31, 2025.

13 B. In conducting a solicitation and selecting Class IA resources for contracts under this
14 section, the commission shall consider the benefits to ratepayers and the benefits to the
15 State's economy, including those benefits to the economy listed in section 3210-G,
16 subsection 1, paragraph C, subparagraph (2), divisions (a) to (h).

17 C. If the commission concludes that a solicitation is not competitive or, following a
18 review of bids received, that a bid or bids are not in the public interest, the commission
19 may make a determination not to award a contract.

20 **3. Contract terms.** A contract entered into pursuant to this section may not be for
21 more than 10 years, unless the commission finds a contract for a longer term to be prudent.

22 **Sec. 27. 35-A MRSA §3212-B, sub-§1,** as enacted by PL 2021, c. 40, §1, is
23 amended to read:

24 **1. Definitions.** As used in this section, unless the context otherwise indicates, the
25 following terms have the following meanings.

26 A. "Green power supply" means electricity or renewable energy credits or clean energy
27 credits for electricity generated from renewable capacity resources as defined in section
28 3210, subsection 2, paragraph B-3, including electricity generated by community-
29 based renewable energy projects as defined in section 3602, subsection 1.

30 A-1. "Clean energy credit" has the same meaning as in section 3210, subsection 2,
31 paragraph A-5.

32 B. "Renewable energy credit" has the same meaning as in section 3210, subsection 2,
33 paragraph B-2.

34 **Sec. 28. 35-A MRSA §3212-B, sub-§2,** as enacted by PL 2021, c. 40, §1, is
35 amended to read:

36 **2. Certification; information in bill inserts.** Information regarding the availability
37 of the green power offer and of green power supply products ~~and~~ renewable energy credit
38 products and clean energy credit products that are certified by the commission may, at the
39 option of the provider of the offer or the product and with the cooperation of the
40 transmission and distribution utility, be presented through inserts in customer bills issued
41 by transmission and distribution utilities. The costs of the inserts, including but not limited
42 to printing and postage costs, are the responsibility of the provider of the offer or product.

1 The commission may define the criteria for certification of green power supply products
2 ~~and~~, renewable energy credit products and clean energy credit products by order or by rule,
3 and the commission may limit the criteria for certification for consumer protection and
4 eligibility verification purposes. Rules adopted to implement this subsection are routine
5 technical rules as defined in Title 5, chapter 375, subchapter 2-A.

6 **Sec. 29. Public Utilities Commission; rules.** The Public Utilities Commission
7 may initiate rulemaking to amend its rule Chapter 316: Long-term Contracting and
8 Resource Adequacy to implement the Maine Revised Statutes, Title 35-A, section 3210-C,
9 subsection 3-A. Notwithstanding Title 35-A, section 3210-C, subsection 10, rules adopted
10 pursuant to this section are routine technical rules as defined in Title 5, chapter 375,
11 subchapter 2-A.

12 SUMMARY

13 This bill directs the Governor's Energy Office to conduct one or more competitive
14 solicitations every 2 years beginning January 1, 2026 to procure energy or associated
15 environmental attributes or a combination of both from renewable and clean resources
16 through long-term contracts if the office determines procurement is necessary to achieve
17 the emissions reduction and renewable and clean energy goals of the State and to meet
18 reasonably expected growth in electricity demand and reliability needs. This bill amends
19 the state goals for consumption of electricity from renewable resources so that by January
20 1, 2040, 90% of retail sales electricity in the State will come from renewable resources and
21 10% of retail sales electricity in the State will come from clean resources. This bill gives
22 additional authority to the Public Utilities Commission to coordinate with other states to
23 procure, through long-term contracts or other mechanisms, transmission capacity, capacity
24 resources, energy, renewable energy credits or clean energy credits. This bill directs the
25 Public Utilities Commission to initiate a competitive solicitation for energy or renewable
26 energy credits from Class IA resources for the purpose of improving the long-term viability
27 of an existing facility. This bill also establishes a regular schedule of competitive
28 procurements for renewable and clean resources.