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**TAXATION**

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**STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
132ND LEGISLATURE  
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to H.P. 798, L.D. 1223, “An Act to Lower Electric Rates for Maine Ratepayers by Requiring the Payment of Certain Costs from the General Fund”

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

**'An Act to Establish an Income Tax Credit for Net Energy Billing Costs'**

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

**'Sec. 1. 36 MRSA §5219-CCC** is enacted to read:

**§5219-CCC. Net energy billing customer cost tax credit**

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

**A. "Commercial and institutional program costs" means:**

(1) The dollar amount of bill credits paid to a customer based on the tariff rates established under Title 35-A, section 3209-B, subsection 5; and

(2) Costs incurred by a transmission and distribution utility in connection with the Public Utilities Commission's administration of the commercial and institutional net energy billing program established in Title 35-A, section 3209-B.

**B. "Investor-owned transmission and distribution utility" has the same meaning as in Title 35-A, section 3104, subsection 1, paragraph A.**

**C. "Kilowatt-hour credit program costs" means:**

(1) Transmission and distribution costs that would otherwise be paid by a customer through the volumetric charge on the customer's electricity bill that are not received by a transmission and distribution utility due to application of net energy billing kilowatt-hour credits to the customer's electricity bill; and

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1                   (2) Costs incurred by a transmission and distribution utility for the administration  
2                   of net energy billing arrangements.

3                   For the purposes of this paragraph, "net energy billing" has the same meaning as in  
4                   Title 35-A, section 3209-A, subsection 1, paragraph C.

5                   D. "Monetized benefits" means a monetized net financial benefit determined by the  
6                   Public Utilities Commission pursuant to Title 35-A, section 3209-C, subsection 2 and  
7                   the revenue received by a transmission and distribution utility that is generated in  
8                   connection with the commercial and institutional net energy billing program  
9                   established in Title 35-A, section 3209-B by the sale of:

10                   (1) Electricity produced by a distributed generation resource participating in the  
11                   program; and

12                   (2) Capacity rights associated with a distributed generation resource participating  
13                   in the program.

14                   E. "Net energy billing customer costs" means the amount paid by a residential  
15                   customer or small commercial customer that represents kilowatt-hour credit program  
16                   costs and commercial and institutional program costs reduced by monetized benefits.

17                   F. "Residential customer" has the same meaning as in Title 35-A, section 3106,  
18                   subsection 1, paragraph C.

19                   G. "Small commercial customer" has the same meaning as in Title 35-A, section 3106,  
20                   subsection 1, paragraph D.

21                   H. "Transmission and distribution utility" has the same meaning as in Title 35-A,  
22                   section 102, subsection 20-B.

23                   **2. Net energy billing customer costs; disclosure.** Starting February 1, 2027, an  
24                   investor-owned transmission and distribution utility shall include on monthly electricity  
25                   bills for its residential customers and small commercial customers the dollar amount or  
26                   charge per kilowatt-hour of net energy billing customer costs for the prior month applicable  
27                   to the type of customer receiving the bill. Each electricity bill must include a statement  
28                   that the dollar amount or charge per kilowatt-hour represents the costs paid by the customer  
29                   in the prior month for net energy billing programs, that the customer may be eligible for an  
30                   income tax credit in the amount of those costs paid by the customer during the calendar  
31                   year and that the information provided in the electricity bill may be used to calculate the  
32                   credit under this section.

33                   **3. Credit; net energy billing customer costs.** For tax years beginning on or after  
34                   January 1, 2027, a resident individual or domestic business entity that has paid net energy  
35                   billing customer costs is allowed a credit against taxes imposed under this Part in an amount  
36                   equal to the net energy billing customer costs paid by the resident individual or domestic  
37                   business entity for the same taxable year, subject to the limitations under subsection 5.

38                   **4. Refundability of credit.** The tax credit allowed under this section is refundable.

39                   **5. Limitations.** The following are not eligible for the credit under this section:

40                   A. An individual or business entity participating in a net energy billing arrangement  
41                   pursuant to Title 35-A, section 3209-A or 3209-B;

42                   B. An individual who does not qualify as a resident individual; or

