

Date:

(Filing No. H- )

## ENERGY, UTILITIES AND TECHNOLOGY

Reproduced and distributed under the direction of the Clerk of the House.

### STATE OF MAINE HOUSE OF REPRESENTATIVES 132ND LEGISLATURE FIRST SPECIAL SESSION

COMMITTEE AMENDMENT “ ” to H.P. 856, L.D. 1321, “An Act to Reform Net Energy Billing by Establishing Limitations on the Programs' Duration and Compensation”

Amend the bill by striking out all of section 1 and inserting the following:

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

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

Amend the bill by striking out all of section 3 and inserting the following:

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

**10. Applicability to projects of more than 500 kilowatts; limitations for projects of 500 kilowatts or less.** After November 1, 2025, unless the entity proposing the development of a distributed generation resource is granted a good-cause exemption due to external delays in accordance with subsection 7 or 9, a distributed generation resource may not be used for net energy billing under this section if the nameplate capacity of the distributed generation resource is more than 500 kilowatts.

A. Notwithstanding any provision of this section to the contrary, the number of customers or meters is limited to 10 for a shared financial interest in a distributed generation resource with a nameplate capacity of 500 kilowatts or less participating in net energy billing after November 1, 2025 pursuant to this section.

B. A customer participating in net energy billing after November 1, 2025 with a distributed generation resource with a nameplate capacity of 500 kilowatts or less pursuant to this section may not, at one time, have a financial interest in more than 5 distributed generation resources that have net energy billing arrangements.'

Amend the bill by striking out all of section 5 and inserting the following:

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

**12. Renewable energy credits; sale; retirement.** If a project sponsor, owner of a distributed generation resource or other entity operating a distributed generation resource participating in net energy billing under this section sells the renewable energy credits generated by the distributed generation resource, the renewable energy credits must be sold and retired in the State.'

Amend the bill by striking out all of section 9 and inserting the following:

'Sec. 9. 35-A MRSA §3209-B, sub-§10 is enacted to read:

**10. Renewable energy credits; sale; retirement.** If a project sponsor, owner of a distributed generation resource or other entity operating a distributed generation resource participating in the program sells the renewable energy credits generated by the distributed generation resource, the renewable energy credits must be sold and retired in the State.

**Sec. 10. 35-A MRSA §3209-F is enacted to read:**

**§3209-F. Review of compensation; alteration**

**1. Review of compensation.** Notwithstanding the provisions of sections 3209-A and 3209-B, the commission may periodically review and by rule alter the amount of compensation that a customer with a financial interest in a distributed generation resource receives as a result of participating in net energy billing under section 3209-A or 3209-B. In making any alteration under this section, the commission shall use a standard or representative distributed generation resource to assess the amount of compensation provided under section 3209-A or 3209-B and shall ensure that any alteration provides a reasonable opportunity for the recovery of reasonable costs, as determined by the commission, and a reasonable rate of return. The commission may not increase any compensation above the lowest amount that would be received under section 3209-B.

**2. Alteration.** Notwithstanding the provisions of sections 3209-A and 3209-B, the commission may modify by rule the requirements under section 3209-A or 3209-B to the extent necessary to allow the State or a distributed generation resource participating in net energy billing under section 3209-A or 3209-B to qualify for federal grants or subsidies that benefit ratepayers in this State.

**3. Rules.** Rules adopted pursuant to this section are major substantive rules as defined in Title 5, chapter 375, subchapter 2-A.'

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

**SUMMARY**

This amendment does the following.

1. It changes the definition of "net energy billing" in the Maine Revised Statutes, Title 35-A, section 3209-A, subsection 1, paragraph C to provide that kilowatt-hour credits may be credited only to a customer's electricity supply charges.

2. It changes the limitation on the kilowatt-hour credit net energy billing program to provide that, unless a distributed generation resource has met the timing requirements

1 established for participation in the program, after November 1, 2025, only distributed  
2 generation resources with a nameplate capacity of 500 kilowatts or less may be used for  
3 net energy billing instead of 20 kilowatts or less as in the bill.

4 3. It clarifies that the limitations on the number of shared financial interest customers  
5 or meters and the number of distributed generation resources that have net energy billing  
6 arrangements in which a customer may have a financial interest apply to distributed  
7 generation resources with a nameplate capacity of 500 kilowatts or less after November 1,  
8 2025.

9 4. It requires that if a project sponsor, owner of a distributed generation resource or  
10 other entity operating a distributed generation resource with a net energy billing  
11 arrangement sells renewable energy credits generated by the distributed generation  
12 resource, the renewable energy credits must be sold and retired in the State.

13 5. It allows the Public Utilities Commission to periodically review and by rule alter the  
14 amount of compensation that a customer with a financial interest in a distributed generation  
15 resource may receive under the kilowatt-hour credit net energy billing and commercial and  
16 institutional net energy billing programs.

17 **FISCAL NOTE REQUIRED**

18 **(See attached)**