

STATE OF MAINE

IN THE YEAR OF OUR LORD

TWO THOUSAND TWENTY-THREE

S.P. 148 - L.D. 327

**An Act to Provide Maine Ratepayers with Equitable Access to
Interconnection of Distributed Generation Resources**

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

Sec. 1. 35-A MRSA §107, sub-§1, as amended by PL 2021, c. 398, Pt. UUU, §3, is further amended to read:

1. Appointment. The commission shall appoint:

A. An administrative director, a director of telephone and water utility industries, a director of electric and gas utility industries, a director of consumer assistance and safety and a director of emergency services communication;

B. With the approval of the Attorney General, a general counsel; ~~and~~

C. An assistant administrative director; and

D. An interconnection ombudsman to assist with interconnection under section 3474.

Sec. 2. 35-A MRSA §107, sub-§2, ¶F is enacted to read:

F. Notwithstanding section 116 or any other provision of this Title, the interconnection ombudsman is funded only through fees assessed under section 3474, federal money and contributions from private and public sources.

Sec. 3. 35-A MRSA §3473, sub-§1, as enacted by PL 2013, c. 562, §1, is repealed and the following enacted in its place:

1. Monitoring. The commission shall monitor the level of solar energy development in the State in relation to the goals in section 3474, basic trends in solar energy markets and the relative costs and benefits from solar energy development, including but not limited to:

A. Revenue from the sale of renewable energy credits;

B. Societal benefits through avoided greenhouse gas emissions;

C. Reduced electricity prices; and

D. Avoided or reduced costs associated with:

(1) Electricity capacity requirements;

- (2) Environmental compliance requirements;
- (3) Portfolio requirements established in section 3210;
- (4) Renewable energy credit price suppression; and
- (5) Electricity transmission and distribution costs.

Sec. 4. 35-A MRSA §3473, sub-§1-A is enacted to read:

1-A. Reporting. By January 1st of each year, the commission shall provide a summary report of its findings under subsection 1 to the joint standing committee of the Legislature having jurisdiction over energy matters.

Sec. 5. 35-A MRSA §3474, sub-§3, as enacted by PL 2021, c. 264, §1, is amended to read:

3. Interconnection rules. The commission shall adopt rules related to the interconnection of renewable capacity resources, as defined in section 3210-C, subsection 1, paragraph E, using solar power, referred to in this subsection as "solar resources," and energy storage systems, as defined in section 3481, subsection 6, whether or not colocated with solar resources, to investor-owned transmission and distribution utilities, as defined in section 3201, subsection 11-A, in a manner that supports the goals in this section and ensures:

- A. The State's interconnection rules reflect nationally recognized best practices, which may include, but are not limited to, those established by the Interstate Renewable Energy Council, or successor organization, and prioritize interconnection of solar resources and energy storage systems owned by customers of investor-owned transmission and distribution utilities and used to serve an on-site load;
- B. Customers affected by deficiencies in the rules are able to access timely resolution processes that do not place an undue burden on the customer; and
- C. Investments in investor-owned transmission and distribution utility distribution upgrades related to load are coordinated with utility infrastructure upgrades required for the interconnection of renewable capacity resources using solar power and energy storage systems.

Rules adopted under this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

Sec. 6. 35-A MRSA §3474, sub-§4 is enacted to read:

4. Interconnection ombudsman; fund. The interconnection ombudsman appointed pursuant to section 107, subsection 1 shall assist persons seeking interconnections governed by rules adopted under subsection 3. The commission shall appoint an interconnection ombudsman who possesses technical expertise related to interconnection and interconnection procedures.

- A. The duties of the interconnection ombudsman include but are not limited to:
 - (1) Tracking interconnection disputes;
 - (2) Facilitating the efficient and fair resolution of disputes between customers seeking to interconnect and investor-owned transmission and distribution utilities;

(3) Reviewing investor-owned transmission and distribution utility interconnection policies to assess opportunities for reducing interconnection disputes;

(4) Convening stakeholder groups as necessary to facilitate effective communication between interconnection stakeholders; and

(5) Preparing reports that detail the number, type, resolution timeline and outcome of interconnection disputes.

B. The commission by rule shall establish a fee to be paid by persons seeking interconnections to fund the interconnection ombudsman. Notwithstanding Title 5, section 8071, rules adopted under this paragraph are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

C. The interconnection ombudsman fund is established within the commission as a nonlapsing fund for the purposes of funding the interconnection ombudsman. The commission shall deposit all fees collected under this subsection into the fund and all money in the fund must be used to fully fund the interconnection ombudsman. In addition to the fees established in accordance with this subsection, the fund may accept federal money and contributions from private and public sources.

Sec. 7. Solar interconnection cost allocation method and rules. The Public Utilities Commission shall:

1. Within 6 months of the effective date of this Act, adopt interconnection rules in accordance with the Maine Revised Statutes, Title 35-A, section 3474, subsection 3 that prioritize interconnection of solar resources and energy storage systems owned by customers of investor-owned transmission and distribution utilities and used to serve an on-site load;

2. Within 12 months of the effective date of this Act, make a good faith effort to appoint an interconnection ombudsman with expertise related to interconnection of distributed generation resources, including solar resources and energy storage systems; and

3. Within 6 months of the effective date of this Act, contract with an expert to evaluate whether treating distributed generation resources that use the tariff rate program under the Maine Revised Statutes, Title 35-A, section 3209-B as load-reducing resources would provide greater value to all ratepayers than the treatment of those resources as wholesale generation resources. The expert shall also evaluate whether the tariff rate program has been implemented in a way that maximizes the value of the portfolio of the resources to all ratepayers. By September 1, 2024, the commission shall provide a copy of the expert's report and a description of any actions the commission recommends with respect to the findings in the report to the joint standing committee of the Legislature having jurisdiction over energy matters. The joint standing committee may report out a bill to the 132nd Legislature in 2025 related to the report.

Sec. 8. Interconnection working group. The Public Utilities Commission shall convene a working group, referred to in this section as "the working group," to collaborate to prevent and resolve disputes relating to the implementation of the State's small generator interconnection procedures for Level 1 and Level 2 facilities, as defined in Chapter 324 of the commission's rules.

1. The working group's duties include the identification and discussion of issues related to:

- A. Transparency of investor-owned transmission and distribution utility activities in the interconnection process;
- B. Current and emerging technical issues resulting in disputes between the State's investor-owned transmission and distribution utilities and customers seeking to interconnect;
- C. Circuits and line sections that have been determined to be unsafe for the interconnection of Level 1 facilities; and
- D. Topics that would be appropriately included in the duties of the interconnection ombudsman.

2. The working group shall hold monthly meetings for its first year, and thereafter the working group shall meet at least quarterly until the commission submits its final report in 2025.

3. The members of the working group must include:

- A. One or more representatives from Central Maine Power Company;
- B. One or more representatives from Versant Power;
- C. Representatives from 2 or more companies engaged in the development and construction of Level 1 and Level 2 facilities in the Central Maine Power Company service territory;
- D. Representatives from 2 or more companies engaged in the development and construction of Level 1 and Level 2 facilities in the Versant Power service territory; and
- E. Any other person that the commission determines necessary to ensure that all interests related to interconnection issues are fairly represented.

4. By December 6, 2023, the commission shall submit a report summarizing the working group's activities under this section to the joint standing committee of the Legislature having jurisdiction over energy matters. The commission shall submit to the committee an additional report by December 6, 2024 and a final report of the working group by December 6, 2025. The committee may report out a bill to the Second Regular Session of the 132nd Legislature regarding the contents of the final report.

Sec. 9. Appropriations and allocations. The following appropriations and allocations are made.

PUBLIC UTILITIES COMMISSION

Public Utilities - Administrative Division 0184

Initiative: Provides one-time allocations for expenditures related to contracted consulting services and related STA-CAP.

OTHER SPECIAL REVENUE FUNDS	2023-24	2024-25
All Other	\$110,210	\$0
OTHER SPECIAL REVENUE FUNDS TOTAL	\$110,210	\$0

PUC - Interconnection Ombudsman Fund N467

Initiative: Provides allocations to establish one Utility Analyst position to serve as the Interconnection Ombudsman and associated All Other costs.

OTHER SPECIAL REVENUE FUNDS	2023-24	2024-25
POSITIONS - LEGISLATIVE COUNT	1,000	1,000
Personal Services	\$118,414	\$122,203
All Other	\$15,391	\$15,391
OTHER SPECIAL REVENUE FUNDS TOTAL	\$133,805	\$137,594

PUC - Interconnection Ombudsman Fund N467

Initiative: Provides allocations to establish the program and account.

OTHER SPECIAL REVENUE FUNDS	2023-24	2024-25
All Other	\$500	\$500
OTHER SPECIAL REVENUE FUNDS TOTAL	\$500	\$500

**PUBLIC UTILITIES COMMISSION
DEPARTMENT TOTALS**

	2023-24	2024-25
OTHER SPECIAL REVENUE FUNDS	\$244,515	\$138,094
DEPARTMENT TOTAL - ALL FUNDS	\$244,515	\$138,094