

## Office of Policy and Legal Analysis

Date: February 25, 2021  
To: Joint Standing Committee on Energy Utilities and Technology  
From: Deirdre Schneider, Legislative Analyst  
Re: LD 314, An Act To Continue the Green Power Electricity Offer

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### Summary

This bill removes the repeal date of April 1, 2021 on the requirement that the PUC arrange for a green power offer.

### History

- During the 123<sup>rd</sup> Legislature, Public Law 2007, chapter 403 was enacted that allowed, at the option of a provider and with cooperation of the transmission and distribution utility, an insert to be placed in a customer bill that included information regarding green power supply products and renewable energy credit products available from that provider and which were certified by the PUC. This law had a repeal date of 7/1/10
- During the 124<sup>th</sup> Legislature, Public Law 2009, chapter 329 was enacted and it amended the law established during the 123<sup>rd</sup> Legislature. It created the current green power offer law and changed the language regarding the bill insert to provide information on the green power offer specifically as opposed to products. This law had a repeal date of 12/31/15.
- During the 127<sup>th</sup> Legislature, LD 340 was introduced to do what LD 314 is proposing. However, through the process the original bill was amended and Public Law 2015, chapter 25 was enacted that changed the repeal date from 12/31/15 to the current repeal date of 4/1/21.
- During the 129<sup>th</sup> Legislature, LD 2173, which was a committee bill, proposed to remove the repeal date, but due to the shortened legislative session died on adjournment.

### Overview of the Green Power Offer

The Green Power Offer - Statute (35-A MRSA § 3212-A) provides the Public Utilities Commission with the authority to arrange for a green power offer that is comprised of a green power supply (this is in addition to the standard offer). This option is a voluntary option for residential and small commercial electricity customers.

- Green power supply- can be electricity or renewable energy credits for electricity generated from renewable capacity resources and includes electricity generated by community-based renewable energy projects.

The program allows a customer to match all or a portion of their electricity use with Maine produced renewable energy.

## **List of People that Submitted Written Testimony and/or Spoke at the Hearing**

**Proponents:** Rep. Berry (Sponsor); James Cote, Versant; Garrett Corbin, PUC; David Costello, NRCM; Steven Weems, Solar Energy Association of ME; Barry Hobbins, Public Advocate; Kathleen Newman, CMP; and Dan Burgess, GEO

**Opponents:** Dan McKay

**Neither for nor against:** None

## **Fiscal Impact**

- A preliminary fiscal impact statement has not been produced for this bill; however, the fiscal review for LD 2173, which proposed the same repeal as this bill, specified no fiscal impact.

**Reference: 35-A MRSA § 3212-A**

**§3212-A. Green power options**

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

- A. "Green power supply" means electricity or renewable energy credits for electricity generated from renewable capacity resources as defined in section 3210, subsection 2, paragraph B-3, including electricity generated by community-based renewable energy projects as defined in section 3602, subsection 1.
- B. "Renewable energy credit" has the same meaning as in section 3210, subsection 2, paragraph B-2.

**1-A. Green power offer.** The commission shall arrange for a green power offer that is composed of green power supply in accordance with this subsection. Except as provided in this subsection, the commission shall ensure that the green power offer is available to all residential and small commercial electricity customers, as defined by the commission by rule, and shall administer a competitive bid process to select a green power offer provider or providers for the service territory of a transmission and distribution utility.

- A. The green power offer must be in addition to existing standard-offer service under section 3212.
- B. The commission shall, to the maximum extent possible:
  - (1) Incorporate green power supply from community-based renewable energy projects, as defined in section 3602, subsection 1, into the green power offer; and
  - (2) Encourage entities based in this State to provide green power supply from community-based renewable energy projects, as defined in section 3602, subsection 1 for the green power offer pursuant to this subsection.
- C. The green power offer may include incidental amounts of electricity supply that do not meet the definition of green power supply, if the commission determines that including such electricity supply is necessary to ensure that a green power offer provider can meet its retail load obligation.
- D. The commission shall, in accordance with section 3210, subsection 7, inform residential and small commercial consumers of electricity in this State of the opportunity to purchase the green power offer.
- E. The commission is not required to arrange for a green power offer in the event that the commission receives no bids to provide the green power offer in a transmission and distribution utility's territory, determines that the bids it receives are inadequate or unacceptable or determines, based on prior experience arranging for a green power offer in a utility's territory, that it is reasonably likely that it will not receive any adequate or acceptable bids.
- F. The commission is not required to arrange for a green power offer for the territory of a consumer-owned transmission and distribution utility. If the commission arranges standard-offer service for a consumer-owned transmission and distribution utility, the consumer-owned transmission and distribution utility may elect to have the commission arrange a green power offer in accordance with this subsection. A consumer-owned transmission and distribution utility may establish a green power offer through a competitive bidding process conducted in accordance with the commission's rules governing the selection of a green power offer provider under this subsection.

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

**2. Certification; information in bill inserts.** Beginning July 1, 2008, information regarding the availability of the green power offer and of green power supply products and renewable energy credit products that are certified by the commission may, at the option of the provider of the offer or the product and with the cooperation of the transmission and distribution utility, be presented through inserts in customer bills issued by transmission and

distribution utilities. The costs of the inserts, including but not limited to printing and postage costs, are the responsibility of the provider of the offer or product. The commission may define the criteria for certification of green power supply products and renewable energy credit products by order or by rule, and the commission may limit the criteria for certification for consumer protection and eligibility verification purposes. Rules adopted to implement this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

**3. Repeal.** This section is repealed April 1, 2021.