

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

## **An Act To Stimulate Demand for Renewable Resources**

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

**Sec. 1. 35-A MRSA §3210, sub-§2, ¶B-3**, as enacted by PL 2009, c. 542, §3, is amended to read:

B-3. "Renewable capacity resource" means a source of electrical generation:

(1) Whose total power production capacity does not exceed 100 megawatts and relies on one or more of the following:

(a) Fuel cells;

(b) Tidal power;

(c) Solar arrays and installations;

(d) Geothermal installations;

(e) Hydroelectric generators that meet all state and federal fish passage requirements applicable to the generator; or

(f) Biomass generators that are fueled by wood or wood waste, landfill gas or anaerobic digestion of agricultural products, by-products or wastes; or

(g) Waste energy resources; or

(2) That relies on wind power installations.

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

D. "Waste energy resource" means a source of electrical generation, which may include pyrolytic waste systems:

(1) That is fueled by municipal solid waste in conjunction with recycling;

(2) Whose total power production capacity does not exceed 35 megawatts;

(3) That is licensed to comply with the air emission requirement levels for resource recovery facilities established pursuant to Title 38, section 585, including, but not limited to, standards for mercury established pursuant to Title 38, section 585-B, subsection 5;

(4) That complies with all applicable licensing requirements for solid waste facilities as established pursuant to Title 38, section 1310-N; and

(5) Whose residuals are transported to a landfill that is licensed to meet at least the performance standards and siting criteria established by rules adopted pursuant to Title 38, section 1304, subsection 1-B, including, but not limited to, standards prohibiting contamination of groundwater outside the solid waste boundary of landfills.

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

**3-B. Portfolio requirements; waste energy resources.** Portfolio requirements for waste energy resources are governed by this subsection.

A. Beginning July 1, 2012, as a condition of licensing pursuant to section 3203, a competitive electricity provider in this State must demonstrate in a manner satisfactory to the commission that no less than 3.5% of its portfolio of supply sources for retail electricity sales in this State is accounted for by waste energy resources. Waste energy resources used to satisfy the requirements of this paragraph may not be used to satisfy the requirements of subsection 3.

B. Retail electricity sales pursuant to a supply contract or standard-offer service arrangement executed by a competitive electricity provider that is in effect on the effective date of this subsection are exempt from the requirements of this subsection until the end date of the current term of the supply contract or standard-offer service arrangement.

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

**Sec. 4. 35-A MRSA §3210, sub-§10** is enacted to read:

**10. Alternative compliance payment; portfolio requirements for waste energy resources.** The commission shall allow competitive electricity providers to satisfy the portfolio requirements for waste energy resources under subsection 3-B through an alternative compliance payment mechanism in accordance with this subsection.

A. The commission shall set the alternative compliance payment rate by rule and shall publish the alternative compliance payment rate by January 31st of each year. In setting the rate, the commission shall take into account prevailing market prices, standard-offer service prices for electricity and reliance on alternative compliance payments to meet the requirements of subsection 3-B.

B. The commission shall collect alternative compliance payments made by competitive electricity providers and shall deposit all funds collected under this paragraph in the Renewable Resource Fund established under section 10121, subsection 2 to be used to fund research, development and demonstration projects relating to renewable energy technologies.

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

## SUMMARY

Current law establishes as a policy of the State the encouragement of the generation of electricity from renewable and efficient resources by requiring that each competitive electricity provider in this State demonstrate that no less than 30% of its portfolio of supply sources for retail electricity sales in this State is accounted for by eligible resources. This bill implements that policy by stimulating demand for electricity from generators fueled by municipal solid waste in conjunction with recycling.

This bill amends the law in the following ways.

1. It amends the definition of "renewable capacity resource" to add waste energy resources.
2. It defines "waste energy resource" as a source of electrical generation that is fueled by municipal solid waste in conjunction with recycling and whose total power capacity does not exceed 35 megawatts. In addition, the waste energy resource would have to meet Maine's air emissions standards for resource recovery facilities and licensing standards for solid waste facilities and ensure that residuals from the waste energy resource are disposed of at a landfill meeting Maine's licensing standards.
3. It establishes a 3.5% portfolio requirement for electricity from waste energy resources.
4. It allows competitive electricity providers to meet the portfolio requirements for waste energy resources through the use of renewable energy credits or an alternative compliance payment to be set by the Public Utilities Commission.