

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

Amend the bill in section 4 in §3471-A in subsection 4 in the 4th line (page 3, line 15 in L.D.) by striking out the following: "this section the beneficial use of the output of the resources" and inserting the following: 'section 3478 the beneficial use of the output'

Amend the bill in section 4 in §3471-A by striking out all of subsection 6 (page 3, lines 18 to 27 in L.D.) and inserting the following:

**‘6. Micro-combined heat and power system.** "Micro-combined heat and power system" means a system that produces heat and electricity in a manner as defined by commission rule.'

Amend the bill in section 6 in §3476 in subsection 3 in paragraph B in the last line (page 5, line 37 in L.D.) by striking out the following: "3479" and inserting the following: '3480'

Amend the bill in section 6 in §3476 in subsection 3 in paragraph C in the last line (page 5, line 39 in L.D.) by inserting after the following: "pursuant to" the following: 'section 3478, subsection 8 and'

Amend the bill in section 6 in §3478 in subsection 8 by striking out all of the last 4 lines (page 8, lines 13 to 16 in L.D.) and inserting the following:

'The commission shall establish a mechanism to allow a subscriber to a large-scale community solar distributed generation resource under this section to purchase renewable energy credits equivalent to those the subscriber has sold to the standard solar buyer at a price equal to 80% of market value.'

Amend the bill in section 6 in §3480 in subsection 2 by striking out all of the next to the last blocked paragraph (page 11, lines 9 to 14 in L.D.) and inserting the following:

'In meeting the procurement targets in section 3475, subsection 4, the commission shall set rates at levels designed to ensure insofar as possible that total annual contract payments for new distributed generation resources procured under this section do not exceed \$10,500,00 per year through 2022. For the purposes of setting these rates, the commission shall assume system performance of solar distributed generation resources that reflects the best available data on actual performance of solar distributed generation resources in the State, assuming an export rate of 50%, and may not include the effect of the adjustment mechanism in subsection 3. Rates set under this subsection may be constant or increase over the term of the contract.'

Amend the bill in section 6 in §3480 by striking out all of subsection 3 (page 11, lines 18 to 23 in L.D.) and inserting the following:

**‘3. Rate adjustment mechanism.** The commission shall establish an adjustment mechanism to ensure that the procurement targets established under section 3475 can be met under reasonable future assumptions by automatically increasing rates for new customers by a specified amount if the total solar distributed generation resource capacity installed by residential and small business customers under this

section is less than 85% of the applicable target established in section 3475, subsection 4. The evaluation to determine whether this adjustment is triggered must occur at 6-month intervals.'

Amend the bill in section 6 in §3480 in subsection 4 in the first line (page 11, line 24 in L.D.) by striking out the following: "section" and inserting the following: 'subsection'

Amend the bill in section 6 in §3480 in subsection 7 in the first paragraph by striking out all of the last sentence (page 12, lines 8 and 9 in L.D.) and inserting the following: 'Notwithstanding the limitation on facility size under subsection 1, the commission shall establish a process to permit customers eligible under this subsection to enter into contracts and receive payments under subsections 1 and 2.'

Amend the bill in section 6 in §3480 in subsection 7 in the first blocked paragraph in the first line (page 12, line 10 in L.D.) by striking out the following: "A customer" and inserting the following: 'Notwithstanding the limitation on facility size under subsection 1, a customer'

Amend the bill in section 6 in §3480 by striking out all of subsection 11 (page 12, lines 42 and 43 and page 13, lines 1 to 26 in L.D.) and inserting the following:

**'11. Program review.** By one year after the effective date of rules adopted pursuant to subsection 10, or when 14 megawatts of capacity have been installed by residential and small business customers pursuant to this section, whichever is earlier, the commission shall initiate an expedited proceeding to determine whether:

- A. The procurement targets in section 3475, subsection 4 are likely to be met through 2022; and
- B. The total cost to all customers is likely to be less than if the procurement targets in section 3475, subsection 4 were installed under the commission's net energy billing rules.

If at the time of a proceeding under this subsection the commission concludes that there is not sufficient information to conduct an evaluation of the conditions under paragraphs A and B, the commission may defer the evaluation for an additional 6 months.

If the commission concludes that both conditions under paragraphs A and B will be met, the rules established pursuant to subsection 10 remain in effect, and net energy billing pursuant to section 3209-A is not available to new customers in the future.

If the commission concludes that the condition under paragraph A or B will not be met, the commission shall make findings regarding the reasons the condition will not be met and provide a report summarizing its conclusions to the joint standing committee of the Legislature having jurisdiction over utility matters within 30 days of the start of the First Regular Session of the 129th Legislature. If the commission determines that the rules adopted under this section can be modified to enable the program to meet procurement targets or reduce costs so that the conditions under paragraphs A and B are likely to be met in the future, it shall make and submit such changes to the First Regular Session of the 129th Legislature. If the commission determines that these rules cannot be modified to meet these targets or reduce costs, the commission shall review its net energy billing rules or recommend alternative mechanisms to support

distributed generation in a manner that benefits all ratepayers. If the commission does not propose changes to the rules adopted pursuant to subsection 10 or new rules are not adopted within 60 days of the adjournment of the First Regular Session of the 129th Legislature, net energy billing pursuant to section 3209-A must be made available to new customers beginning 60 days after adjournment of the First Regular Session of the 129th Legislature.'

Amend the bill in section 7 in the first line (page 13, line 40 in L.D.) by striking out the following: **"Siting of solar distributed generation resources."** and inserting the following: **'Report; siting of solar distributed generation resources on pre-existing impervious surfaces or brownfields.'**

Amend the bill by adding after section 7 the following:

**'Sec. 8. Report; siting of solar distributed generation resources on farmland.** By January 1, 2017, the Department of Agriculture, Conservation and Forestry shall submit to the joint standing committee of the Legislature having jurisdiction over energy and utilities matters and the joint standing committee of the Legislature having jurisdiction over agricultural matters a report that evaluates what actions can be taken to ensure that any new solar distributed generation resource procured pursuant to the Maine Revised Statutes, Title 35-A, sections 3477 to 3479 and proposed to be built on farmland designated as "prime farmland" or "farmland of statewide importance" by the United States Department of Agriculture, is designed and built in a manner that does not remove topsoil or otherwise permanently impair the suitability of that land for future agricultural use. The report must also include an evaluation of what actions can be taken to ensure that the decommissioning of solar distributed generation resources procured pursuant to Title 35-A, sections 3477 to 3479 on farmland that is designated as "prime farmland" or "farmland of statewide importance" occurs in a manner that enables the farmland to be returned to agricultural use. The report may include recommendations for legislation that may be necessary to address these issues. The joint standing committees may each report out a bill to the First Regular Session of the 128th Legislature based on the report. The Public Utilities Commission may not contract for a new solar distributed generation resource pursuant to Title 35-A, sections 3477 to 3479 if it is to be sited on farmland designated as "prime farmland" or "farmland of statewide importance" by the United States Department of Agriculture until 90 days after the First Regular Session of the 128th Legislature.

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

**AGRICULTURE, CONSERVATION AND FORESTRY, DEPARTMENT OF**

**Geological Survey Z237**

Initiative: Provides funds to hire a consultant to assist the department in preparing a report related to solar distributed generation resources proposed to be built on certain farmland.

<b>GENERAL FUND</b>	<b>2015-16</b>	<b>2016-17</b>
All Other	\$0	\$10,000
<b>GENERAL FUND TOTAL</b>	<b>\$0</b>	<b>\$10,000</b>

**AGRICULTURE, CONSERVATION AND FORESTRY,  
DEPARTMENT OF  
DEPARTMENT TOTALS  
GENERAL FUND**

	<b>2015-16</b>	<b>2016-17</b>
	<b>\$0</b>	<b>\$10,000</b>
<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$0</b>	<b>\$10,000</b>

**PUBLIC UTILITIES COMMISSION**

**Public Utilities - Administrative Division 0184**

Initiative: Establishes one Utility Analyst - Public Services Coordinator III position and one Staff Attorney - Public Services Coordinator III position.

	<b>2015-16</b>	<b>2016-17</b>
<b>OTHER SPECIAL REVENUE FUNDS</b>		
POSITIONS - LEGISLATIVE COUNT	0.000	2.000
Personal Services	\$0	\$203,946
All Other	\$0	\$11,372
<b>OTHER SPECIAL REVENUE FUNDS TOTAL</b>	<b>\$0</b>	<b>\$215,318</b>

	<b>2015-16</b>	<b>2016-17</b>
<b>PUBLIC UTILITIES COMMISSION DEPARTMENT TOTALS OTHER SPECIAL REVENUE FUNDS</b>	<b>\$0</b>	<b>\$215,318</b>
<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$0</b>	<b>\$215,318</b>

	<b>2015-16</b>	<b>2016-17</b>
<b>SECTION TOTALS GENERAL FUND OTHER SPECIAL REVENUE FUNDS</b>	<b>\$0</b>	<b>\$10,000</b>
<b>SECTION TOTAL - ALL FUNDS</b>	<b>\$0</b>	<b>\$225,318</b>

**SUMMARY**

This amendment is the majority report of the committee. This amendment does the following.

1. It corrects cross-references in the bill to other sections within the bill and corrects terminology for consistency.

2. It clarifies language regarding rates and the rate adjustment mechanism as they relate to the residential and small business segment.

3. It clarifies that existing net energy customers may enter into contracts even if they exceed the facility size limitations in the bill for a residential and small business distributed generation resource.

4. It changes the time frame for program review of the residential and small business segment to one year or when 14 megawatts of capacity have been installed, whichever is earlier, instead of 18 months or 21 megawatts as in the bill.

5. It changes the reporting date on the program review from the Second Regular Session of the 129th Legislature to the First Regular Session of the 129th Legislature.

6. It requires the Department of Agriculture, Conservation and Forestry to submit a report to the joint standing committee of the Legislature having jurisdiction over energy and utilities matters and the joint standing committee of the Legislature having jurisdiction over agricultural matters that evaluates what actions can be taken to ensure that any new solar distributed generation resource procured pursuant to the Maine Revised Statutes, Title 35-A, sections 3477 to 3479 on "prime farmland" or "farmland of statewide importance" is designed, built and decommissioned in a manner that retains topsoil and enables the farmland to be returned to agricultural use. Each committee is authorized to report out a bill to the First Regular Session of the 128th Legislature based on the report.

7. It prohibits the Public Utilities Commission from contracting for new solar distributed generation resources to be sited on farmland designated as "prime farmland" or "farmland of statewide importance" until 90 days after the First Regular Session of the 128th Legislature.

8. It adds an appropriations and allocations section.

**FISCAL NOTE REQUIRED**  
**(See attached)**