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## **An Act To Protect the Environment and Assist Municipalities with the Recycling, Reuse and Processing of Solid Waste**

### **CONCEPT DRAFT SUMMARY**

This bill is a concept draft pursuant to Joint Rule 208.

This bill proposes to enact measures to support the State's solid waste management hierarchy and provide for the effective and efficient management of solid waste throughout the State by encouraging the conversion of municipal solid waste to electrical energy as a means to minimize the amount of municipal solid waste that is disposed of and stored in landfills.

The bill encourages materials management and conversion of municipal solid waste into electrical energy through the establishment of a net electrical billing process that will have the effect of reducing energy costs to municipalities who are the primary disposers of the waste. The net electrical billing process will also serve to encourage the reduction, recycling and effective management of municipal solid waste; preserve many existing well-paying jobs; enhance the diversification of the State's energy resource mix; stabilize the State's energy supply infrastructure; and result in a net environmental benefit to the State and its citizens.

1. The bill would establish a waste management net electrical billing program in accordance with the following provisions.

A. An eligible participating waste-to-energy facility in the State would be authorized to develop and offer a contract for the converting of municipal solid waste to electricity that provides net electrical billing credits based upon the number of metered kilowatt-hours produced by the incineration of the municipal solid waste that is originated with each eligible governmental entity customer that enters into a contract. No contract would be authorized unless it is certified by the Department of Environmental Protection.

B. There would be 2 types of metering in the program:

(1) Generation meters registering the flow of electricity produced through the incineration of municipal solid waste at each eligible participating waste-to-energy facility; and

(2) Consumption meters registering the consumption of electricity by the eligible governmental entity customer.

C. Each eligible participating waste-to-energy facility would annually calculate the annual electrical crediting ratio by taking the total metered electrical power generated and dividing it by the total number of tons of municipal solid waste processed during the reporting year. The annual electrical crediting calculation would be certified and provided by each eligible participating waste-to-energy facility to the Department of Environmental Protection and the Public Utilities Commission on or before a date determined by the Department of Environmental Protection.

D. Based on net electrical crediting calculations, the Department of Environmental Protection, in cooperation with the Public Utilities Commission, would set the annual ratio at which net electrical billing credits will be determined by each eligible participating waste-to-energy facility during the next program administrative year.

E. Each eligible participating waste-to-energy facility would provide monthly data on the number of electrical billing credits each participating eligible governmental entity customer has earned during the preceding 30-day period to the electrical utility that provides service to each participating eligible governmental entity customer. Copies of the report would be provided monthly to the participating eligible governmental entity customer. Contracts supporting the net electrical billing process would be developed between eligible participating waste-to-energy facilities and utilities, as well as the utilities and the eligible governmental entity customers participating in the program. A contract would not be used unless it is certified by the Department of Environmental Protection and the Public Utilities Commission.

F. Each electrical utility would apply the reported net electrical billing credits for each participating eligible governmental entity customer on its next electrical service billing. Any credits not used on a given monthly electrical billing for a participating eligible governmental entity customer would be carried over and applied to a future monthly electrical service bill for that customer.

G. The program would be administered by the Department of Environmental Protection in consultation with the Public Utilities Commission.

H. The Board of Environmental Protection would adopt routine technical rules necessary for the operation and administration of the program.

2. The bill would establish definitions necessary to implement the waste management net electrical billing program, including:

A. Defining "eligible governmental entity customer" as a governmental entity organized and existing pursuant to the laws of the State that provides an annual written certification that it operates an established program of solid waste reduction, recycling and composting relative to the solid waste it collects before it sends that solid waste to an eligible participating waste-to-energy facility for processing and conversion into electricity;

B. Defining "eligible participating waste-to-energy facility" as a facility licensed pursuant to the provisions of the Maine Revised Statutes, Title 38 that converts municipal solid waste to electricity through an incineration process that is licensed by the Department of Environmental Protection, reduces the volume of the municipal solid waste it processes by at least 80% and the weight by at least 65% and is not a party to a power purchase agreement;

C. Defining "municipal solid waste" as solid waste that has been collected by a participating eligible governmental entity customer other than waste that the customer has diverted through reduction, recycling and composting before it is sent to an eligible participating waste-to-energy facility for processing and conversion into electricity; and

D. Defining "net electrical billing credits" as the monetary credits that are applied by an electrical utility to the monthly bill of an eligible governmental entity customer that has earned those credits by sending municipal solid waste that it has collected to an eligible participating waste-to-energy facility for conversion into electricity.