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Legislative Document

No. 257

S.P. 124

In Senate, January 24, 2025

An Act to Eliminate the Practice of Net Energy Billing

Received by the Secretary of the Senate on January 23, 2025. Referred to the Committee on Energy, Utilities and Technology pursuant to Joint Rule 308.2 and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator STEWART of Aroostook.

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

2 **Sec. 1. 26 MRSA §1304, sub-§1-A**, as enacted by PL 2021, c. 705, §2, is amended
3 by amending the first blocked paragraph to read:

4 "Assisted project" does not include a project for which the Public Utilities Commission
5 approved a term sheet or contract or otherwise provided project-specific authorization or
6 approval pursuant to Title 35-A on or before June 29, 2021 ~~or a project that is participating~~
7 ~~in net energy billing and that meets the requirements of Title 35-A, section 3209-A,~~
8 ~~subsection 7 or Title 35-A, section 3209-B.~~

9 **Sec. 2. 35-A MRSA §3209-A**, as amended by PL 2023, c. 230, §1 and c. 411, §2,
10 is repealed.

11 **Sec. 3. 35-A MRSA §3209-B**, as amended by PL 2023, c. 411, §§3 and 4, is
12 repealed.

13 **Sec. 4. 35-A MRSA §3209-C**, as enacted by PL 2023, c. 411, §5 and corrected by
14 RR 2023, c. 2, Pt. A, §55, is repealed.

15 **Sec. 5. 35-A MRSA §3209-D, sub-§1, ¶A**, as enacted by PL 2023, c. 411, §6, is
16 repealed and the following enacted in its place:

17 A. "Distributed generation resource" means an electric generating facility that uses a
18 renewable fuel or technology under section 3210, subsection 2, paragraph B-3, is
19 located in the service territory of a transmission and distribution utility in the State, has
20 a nameplate capacity of at least one megawatt and not more than 2 megawatts and:

21 (1) Is a member of a cluster study conducted by the transmission and distribution
22 utility with which the distributed generation resource is seeking to interconnect; or

23 (2) Received required transmission approval from the New England independent
24 system operator on or before April 30, 2024.

25 **Sec. 6. 35-A MRSA §3209-D, sub-§5**, as enacted by PL 2023, c. 411, §6, is
26 repealed.

27 **Sec. 7. 35-A MRSA §3209-E**, as enacted by PL 2023, c. 411, §7, is repealed.

28 **Sec. 8. 35-A MRSA §3209-F** is enacted to read:

29 **§3209-F. Net energy billing requirement prohibited**

30 The commission may not by rule or order require a transmission and distribution utility
31 to allow a customer to participate in net energy billing. For the purposes of this section,
32 "net energy billing" means a billing and metering practice under which a customer of a
33 transmission and distribution utility has the ability to receive a bill credit or other
34 adjustment of the customer's transmission and distribution service bill by delivering
35 electricity to the transmission and distribution utility from an electric generating facility
36 owned or operated by that customer or in which that customer has a financial interest that
37 is located in the service territory of the transmission and distribution utility in the State.

38 **Sec. 9. 35-A MRSA §3214, sub-§2, ¶B**, as amended by PL 2023, c. 230, §2, is
39 further amended to read:

1 B. Set initial funding for programs based on an assessment of aggregate customer need
2 in periodic rate cases. The funding formula may not result in assistance being counted
3 as income or as a resource in other means-tested assistance programs for low-income
4 households. To the extent possible, assistance must be provided in a manner most
5 likely to prevent the loss of other federal assistance; ~~and.~~

6 **Sec. 10. 35-A MRSA §3214, sub-§2, ¶C**, as enacted by PL 2023, c. 230, §2, is
7 repealed.

8 **Sec. 11. 35-A MRSA §3623, sub-§3, ¶C**, as enacted by PL 2021, c. 604, §3, is
9 amended to read:

10 C. Satisfy the limits on net generating capacity established in subsection 2, paragraph
11 A; and

12 **Sec. 12. 35-A MRSA §3623, sub-§3, ¶D**, as amended by PL 2023, c. 353, §5, is
13 further amended to read:

14 D. Be highly efficient, as determined by the commission on a technology-specific
15 basis; ~~and.~~

16 **Sec. 13. 35-A MRSA §3623, sub-§3, ¶E**, as enacted by PL 2021, c. 604, §3, is
17 repealed.

18 **Sec. 14. 36 MRSA §655, sub-§1, ¶V**, as enacted by PL 2023, c. 682, §3, is
19 amended to read:

20 V. For property tax years beginning on or after April 1, 2025, solar energy equipment
21 that generates heat or electricity if: all of the energy is used on the site where the
22 property is located.

23 ~~(1) All of the energy is used on the site where the property is located;~~

24 ~~(2) The equipment is collocated with a net energy billing customer that is or net~~
25 ~~energy billing customers that are subscribed to at least 50% of the facility's output;~~
26 ~~or~~

27 ~~(3) All of the energy is transmitted through the facilities of a transmission and~~
28 ~~distribution utility and a utility customer or customers receive a utility bill credit~~
29 ~~for the energy generated by the equipment pursuant to Title 35-A, section 3209-A~~
30 ~~or 3209-B and the generator of electricity entered into a fully executed~~
31 ~~interconnection agreement with a transmission and distribution utility prior to June~~
32 ~~1, 2024.~~

33 On or before April 1st of the first property tax year for which a taxpayer claims an
34 exemption under this paragraph, the taxpayer claiming the exemption shall file a report
35 with the assessor. The report must identify the property for which the exemption is
36 claimed and must be made on a form prescribed by the State Tax Assessor or a
37 substitute form approved by the State Tax Assessor. The State Tax Assessor shall
38 furnish copies of the form to each municipality in the State and make the forms
39 available to taxpayers.

40 **Sec. 15. 36 MRSA §656, sub-§1, ¶L**, as enacted by PL 2023, c. 682, §5, is
41 amended to read:

1 L. For property tax years beginning on or after April 1, 2025, solar energy equipment
2 that generates heat or electricity if: all of the energy is used on the site where the
3 property is located.

- 4 ~~(1) All of the energy is used on the site where the property is located;~~
- 5 ~~(2) The equipment is collocated with a net energy billing customer that is or net~~
6 ~~energy billing customers that are subscribed to at least 50% of the facility's output;~~
7 ~~or~~
- 8 ~~(3) All of the energy is transmitted through the facilities of a transmission and~~
9 ~~distribution utility and a utility customer or customers receive a utility bill credit~~
10 ~~for the energy generated by the equipment pursuant to Title 35-A, section 3209-A~~
11 ~~or 3209-B and the generator of electricity entered into a fully executed~~
12 ~~interconnection agreement with a transmission and distribution utility prior to June~~
13 ~~1, 2024.~~

14 On or before April 1st of the first property tax year for which a taxpayer claims an
15 exemption under this paragraph, the taxpayer claiming the exemption shall file a report
16 with the assessor. The report must identify the property for which the exemption is
17 claimed and must be made on a form prescribed by the State Tax Assessor or a
18 substitute form approved by the State Tax Assessor. The State Tax Assessor shall
19 furnish copies of the form to each municipality in the State and make the forms
20 available to taxpayers.

21 **Sec. 16. 36 MRSA §1760, sub-§80**, as enacted by PL 1999, c. 286, §1, is repealed.

22 **SUMMARY**

23 This bill repeals the laws that authorize the Public Utilities Commission to adopt rules
24 governing net energy billing and that direct the commission to establish a net energy billing
25 program for commercial and institutional customers of investor-owned transmission and
26 distribution utilities. It prohibits the commission from adopting rules that require a
27 transmission and distribution utility to allow a customer to participate in net energy billing.
28 The bill also amends the laws that reference the net energy billing programs repealed by
29 this bill, including repealing the provisions of law that provide for real estate and personal
30 property tax exemptions for solar energy equipment used in connection with net energy
31 billing customers.