



125th MAINE LEGISLATURE

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Legislative Document

No. 425

S.P. 129

In Senate, February 10, 2011

An Act To Stimulate Demand for Renewable Resources

Reference to the Committee on Energy, Utilities and Technology suggested and ordered printed.

Joseph G. Carleton Jr.

JOSEPH G. CARLETON, JR.
Secretary of the Senate

Presented by Senator ROSEN of Hancock.
Cosponsored by Representative ROSEN of Bucksport.

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

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

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

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

7 (a) Fuel cells;

8 (b) Tidal power;

9 (c) Solar arrays and installations;

10 (d) Geothermal installations;

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

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

15 (g) Waste energy resources; or

16 (2) That relies on wind power installations.

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

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

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

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

22 (3) That is licensed to comply with the air emission requirement levels for
23 resource recovery facilities established pursuant to Title 38, section 585,
24 including, but not limited to, standards for mercury established pursuant to Title
25 38, section 585-B, subsection 5;

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

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

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

34 **3-B. Portfolio requirements; waste energy resources.** Portfolio requirements for
35 waste energy resources are governed by this subsection.

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

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

12 The commission shall adopt rules to implement this subsection. Rules adopted pursuant
13 to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter
14 2-A.

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

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

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

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

30 The commission shall adopt rules to implement this subsection. Rules adopted pursuant
31 to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter
32 2-A.

33 **SUMMARY**

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

40 This bill amends the law in the following ways.

1 1. It amends the definition of "renewable capacity resource" to add waste energy
2 resources.

3 2. It defines "waste energy resource" as a source of electrical generation that is
4 fueled by municipal solid waste in conjunction with recycling and whose total power
5 capacity does not exceed 35 megawatts. In addition, the waste energy resource would
6 have to meet Maine's air emissions standards for resource recovery facilities and licensing
7 standards for solid waste facilities and ensure that residuals from the waste energy
8 resource are disposed of at a landfill meeting Maine's licensing standards.

9 3. It establishes a 3.5% portfolio requirement for electricity from waste energy
10 resources.

11 4. It allows competitive electricity providers to meet the portfolio requirements for
12 waste energy resources through the use of renewable energy credits or an alternative
13 compliance payment to be set by the Public Utilities Commission.