

132nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2025

Legislative Document

No. 839

S.P. 372

In Senate, March 4, 2025

An Act to Lower Consumer Electricity Costs by Prohibiting the Recovery Through Rates of Costs Attributable to Net Energy Billing

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

h GT

DAREK M. GRANT Secretary of the Senate

Presented by Senator STEWART of Aroostook.

Cosponsored by Senators: BENNETT of Oxford, HARRINGTON of York, Representatives: FAULKINGHAM of Winter Harbor, FOSTER of Dexter, MCINTYRE of Lowell, PAUL of Winterport, WADSWORTH of Hiram.

1	Be it enacted by the People of the State of Maine as follows:
2	Sec. 1. 35-A MRSA §3209-A, sub-§1, ¶B-1 is enacted to read:
3	B-1. "Kilowatt-hour credit program cost" means:
4 5 6 7	(1) Transmission and distribution costs that would otherwise be paid by a customer through the volumetric charge on the customer's electricity bill that are not received by a transmission and distribution utility due to application of kilowatt-hour credits to the customer's electricity bill; and
8 9	(2) Costs incurred by a transmission and distribution utility for the administration of net energy billing arrangements.
10	Sec. 2. 35-A MRSA §3209-A, sub-§10 is enacted to read:
11 12 13 14 15 16	10. Kilowatt-hour credit program costs. After June 30, 2026, kilowatt-hour credit program costs may not be included or incorporated in the operating expenses of a transmission and distribution utility to be recovered in rates and must be paid from the General Fund. The commission shall submit legislation to request funding to be paid into the Net Energy Billing Cost Stabilization Fund established in section 3209-B, subsection 10 to ensure adequate funding is available to pay kilowatt-hour credit program costs.
17 18 19 20 21 22 23 24 25 26	The commission shall adopt rules to establish a process by which kilowatt-hour credit program costs are distributed to transmission and distribution utilities using funds from the Net Energy Billing Cost Stabilization Fund. The rules must require a transmission and distribution utility to provide to the commission, at least annually, an estimate of kilowatt-hour credit program costs for the following year. The commission rules must establish a schedule for the commission's payment of kilowatt-hour program costs and a reconciliation process by which any overpayments are returned by a transmission and distribution utility to the Net Energy Billing Cost Stabilization Fund. Notwithstanding any provision of this section to the contrary, rules adopted by the commission pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.
27	Sec. 3. 35-A MRSA §3209-B, sub-§1, ¶B-1 is enacted to read:
28 29 30	 B-1. "Commercial and institutional program cost" means: (1) The dollar amount of bill credits paid to a customer based on the tariff rates established under subsection 5; and
31 32	(2) Costs incurred by a transmission and distribution utility for the administration of the program.
33	Sec. 4. 35-A MRSA §3209-B, sub-§1, ¶C-1 is enacted to read:
34 35	<u>C-1.</u> "Monetized benefit" means revenue received by a transmission and distribution utility that is generated by the sale of:
36 37	(1) Electricity produced by a distributed generation resource participating in the program; and
38 39	(2) Capacity rights associated with a distributed generation resource participating in the program.
40	Sec. 5. 35-A MRSA §3209-B, sub-§9 is enacted to read:

9. Commercial and institutional program costs. After June 30, 2026, commercial
 and institutional program costs may not be included or incorporated in the operating
 expenses of a transmission and distribution utility to be recovered in rates and must be paid
 from the General Fund. The commission shall submit legislation to request funding to be
 paid into the Net Energy Billing Cost Stabilization Fund established in subsection 10 to
 ensure adequate funding is available to pay commercial and institutional program costs.

7 The commission shall adopt rules to establish a process by which commercial and 8 institutional program costs, less monetized benefits, are distributed to transmission and 9 distribution utilities and distributed generation resources, as applicable, using funds from 10 the Net Energy Billing Cost Stabilization Fund. The rules must require a transmission and distribution utility to provide, at least annually, to the commission an estimate of 11 commercial and institutional program costs for the following year, as well as an estimate 12 13 of monetized benefits. The commission rules must establish a schedule for the commission's payment of commercial and institutional program costs and a reconciliation 14 15 process by which any overpayments are returned by a transmission and distribution utility 16 to the Net Energy Billing Cost Stabilization Fund. Rules adopted by the commission pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, 17 18 subchapter 2-A.

19

Sec. 6. 35-A MRSA §3209-B, sub-§10 is enacted to read:

10. Net Energy Billing Cost Stabilization Fund. The Net Energy Billing Cost
 Stabilization Fund is established within the commission as a nonlapsing fund for the
 purposes of paying kilowatt-hour credit program costs in accordance with section 3209-A,
 subsection 10 and commercial and institutional program costs, less monetized benefits, as
 described in subsection 9. The commission may receive and deposit in the fund funds from
 the General Fund and any overpayments returned by transmission and distribution utilities
 in accordance with rules adopted by the commission.

27

SUMMARY

28 This bill prohibits the inclusion of certain costs associated with the kilowatt-hour credit 29 and commercial and institutional net energy billing programs in the operating expenses of 30 a transmission and distribution utility. The bill requires the Public Utilities Commission to 31 adopt routine technical rules to establish a process by which kilowatt-hour credit program 32 costs and commercial and institutional program costs, less monetized benefits, are 33 distributed to transmission and distribution utilities and distributed generation resources, 34 as applicable. The bill establishes the Net Energy Billing Cost Stabilization Fund for the 35 purposes of receiving General Fund appropriations for payments for kilowatt-hour credit 36 program costs and commercial and institutional program costs and any overpayments 37 returned by transmission and distribution utilities.