

STATE OF MAINE

IN THE YEAR OF OUR LORD

TWO THOUSAND TWENTY-THREE

H.P. 904 - L.D. 1408

**An Act to Reduce Maine's Dependence on Fossil Fuels and Carbon Footprint
for Energy Production Using Waste Wood Fuel**

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

Sec. 1. 12 MRSA §8884, sub-§5 is enacted to read:

5. Report. If the bureau provides a report related to wood processor reports received by the bureau in accordance with subsection 1 to the joint standing committee of the Legislature having jurisdiction over forestry management matters, the bureau shall also submit a copy of the report to the joint standing committee of the Legislature having jurisdiction over energy matters.

Sec. 2. 35-A MRSA §3622, sub-§2, as enacted by PL 2021, c. 604, §3, is amended to read:

2. Net generating capacity. "Net generating capacity" means the electric output of an electricity generating facility delivered to the transmission and distribution utility system. "Net generating capacity" does not include any energy consumed by the generator to operate the electricity generating facility, energy provided behind the meter to facilities adjacent to the electricity generating facility or any energy consumed for facility lighting, power and auxiliary facilities.

Sec. 3. 35-A MRSA §3623, sub-§2, ¶A, as enacted by PL 2021, c. 604, §3, is amended to read:

A. The net generating capacity of a program participant may not be less than 3 megawatts or more than ~~40~~ 15 megawatts.

Sec. 4. 35-A MRSA §3623, sub-§2, ¶B, as enacted by PL 2021, c. 604, §3, is amended to read:

B. The total net generating capacity of all program participants combined may not exceed ~~20~~ 30 megawatts.

The commission may modify the amount of total net generating capacity stipulated under this paragraph based on program experience.

Sec. 5. 35-A MRSA §3623, sub-§3, ¶D, as enacted by PL 2021, c. 604, §3, is amended to read:

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

Sec. 6. 35-A MRSA §3624, sub-§1, as enacted by PL 2021, c. 604, §3, is repealed and the following enacted in its place:

1. Investor-owned transmission and distribution utilities; required participation. Notwithstanding section 3204, the commission may direct an investor-owned transmission and distribution utility to enter into long-term contracts for energy with one or more program participants if the program participant is:

A. Located within the service territory of the investor-owned transmission and distribution utility; or

B. Located within the service territory of a consumer-owned transmission and distribution utility if:

(1) The program participant delivers energy to a location within the service territory of the investor-owned transmission and distribution utility;

(2) The program participant does not sell energy to the consumer-owned transmission and distribution utility in whose territory the program participant is located; and

(3) The consumer-owned transmission and distribution utility consents to the sale and transmission of that energy pursuant to a long-term contract.

The commission may direct investor-owned transmission and distribution utilities to enter into contracts under this subsection only as agents for their customers and only in accordance with this section. An investor-owned transmission and distribution utility shall sell energy pursuant to this subsection into the wholesale electricity market or take other action relative to that energy directed by the commission.

Sec. 7. 35-A MRSA §3624, sub-§2, as enacted by PL 2021, c. 604, §3, is amended to read:

2. Consumer-owned transmission and distribution utilities; voluntary participation. A consumer-owned transmission and distribution utility may, at the option of the utility, enter into long-term contracts with one or more program participants located within the service territory of the utility for energy, ~~capacity resources or renewable energy credits~~. Consumer-owned transmission and distribution utilities may enter into contracts under this subsection only as agents for their customers and only in accordance with this section.

Sec. 8. 35-A MRSA §3624, sub-§3, as enacted by PL 2021, c. 604, §3, is amended to read:

3. Sale of energy; contract procedures. Energy, ~~capacity resources or renewable energy credits~~ contracted through long-term contracts pursuant to this section may be sold into the wholesale electricity market separately or in conjunction with solicitations for standard-offer supply bids under section 3212 or solicitations for green power offer bids under section 3212-B. To the greatest extent possible, the commission shall develop

procedures for long-term contracts for transmission and distribution utilities under this section having the same legal and financial effect as the procedures used for standard-offer service pursuant to section 3212 for transmission and distribution utilities.

Sec. 9. 35-A MRSA §3624, sub-§7, as enacted by PL 2021, c. 604, §3, is amended to read:

7. Contract payments. Contracts for ~~capacity and related~~ energy entered into pursuant to this section must provide that payments will be made only after contracted amounts of energy have been provided.