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ENERGY, UTILITIES AND TECHNOLOGY

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STATE OF MAINE

SENATE

127TH LEGISLATURE

SECOND REGULAR SESSION

COMMITTEE AMENDMENT “ ” to S.P. 484, L.D. 1339, Bill, “An Act To Provide Relief to Maine Ratepayers”

Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:

Sec. 1. 35-A MRSA §3210, sub-§9, as amended by PL 2011, c. 637, §1, is further amended to read:

9. Alternative compliance payment; portfolio requirements for new renewable capacity resources. The commission shall allow competitive electricity providers to satisfy the portfolio requirements for new renewable capacity resources under subsection 3-A through an alternative compliance payment mechanism in accordance with this subsection.

A. The commission shall set the alternative compliance payment rate by rule and shall publish the alternative compliance payment rate by January 31st of each year. In setting the rate, the commission shall take into account prevailing market prices, standard-offer service prices for electricity, reliance on alternative compliance payments to meet the requirements of subsection 3-A and investment in new renewable capacity resources in the State during the previous calendar year. To the maximum extent practicable, the commission shall set the alternative compliance payment rate at a level that reduces higher revenue for generators of new renewable capacity resources when electricity supply prices increase to historically high levels, as determined by the commission.

A-1. The commission shall reduce the alternative compliance payment rate by 100%, suspending the renewable portfolio requirement, if the annualized average standard offer electricity supply pricing for residential customers is 10¢ per kilowatt hour or higher.

B. The commission shall collect alternative compliance payments made by competitive electricity providers and shall deposit all funds collected under this paragraph in the Energy Efficiency and Renewable Resource Fund established under

COMMITTEE AMENDMENT

1 section 10121, subsection 2 to be used to fund research, development and
2 demonstration projects relating to renewable energy technologies and to fund rebates
3 for cost-effective renewable energy technologies.

4 The commission shall adopt rules to implement this subsection. Rules adopted under this
5 subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.'

6 **SUMMARY**

7 This amendment, which is the minority report, strikes the bill and instead allows the
8 Public Utilities Commission, when it determines that electricity supply prices are at
9 historically high levels, to set the alternative compliance payment rate for new renewable
10 capacity resources at a level that reduces higher revenue for generators of new renewable
11 capacity resources. The amendment also specifies that if the annualized average standard
12 offer electricity supply pricing for residential customers is 10¢ per kilowatt hour or
13 higher, the commission must reduce the alternative compliance payment rate by 100%,
14 which has the effect of suspending the renewable portfolio requirement.