

STATE OF MAINE

IN THE YEAR OF OUR LORD

TWO THOUSAND TWENTY-THREE

S.P. 622 - L.D. 1591

An Act to Promote Economic Reuse of Contaminated Land Through Clean Energy Development

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

Sec. 1. 35-A MRSA §3210, sub-§11, as enacted by PL 2019, c. 477, §1, is amended to read:

11. Report; ~~Class IA resource and thermal~~ renewable energy credit portfolio requirements. By March 31, 2024 and every ~~5~~ 3 years thereafter, the ~~commission~~ Governor's Energy Office shall submit a report to the joint standing committee of the Legislature having jurisdiction over energy matters based on a review, conducted in consultation with the ~~Governor's Energy Office commission~~, of the status and impacts of the implementation of the portfolio requirements ~~for Class IA resources~~ under ~~subsection~~ subsections 3, 3-A, 3-B and thermal renewable energy credits under subsection 3-C. The review must be completed through a public process and must include consideration of impacts of these renewable portfolio requirements on energy prices and assessment of benefits, including, but not limited to, on greenhouse gas emissions and the economy of the State. ~~The report required under this subsection may be submitted in conjunction with the report required under subsection 3-A, paragraph C.~~ After reviewing the report required under this subsection, the committee may report out legislation regarding renewable portfolio requirements.

Sec. 2. 35-A MRSA §3210, sub-§12 is enacted to read:

12. Standard-offer service provider. In accordance with section 3210-J, subsection 4, a standard-offer service provider may satisfy the requirements of this section using renewable energy credits procured pursuant to section 3210-J and assigned by the commission to that standard-offer service provider for the purposes of satisfying the requirements of this section.

Sec. 3. 35-A MRSA §3210-J is enacted to read:

§3210-J. Renewable energy procurement; reuse of contaminated lands

1. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Combined project" means an eligible Class IA resource paired and collocated with an energy storage system connected to the State's electricity grid, whether metered jointly or separately from the eligible Class IA resource.

B. "Contaminated land" means agricultural land contaminated by perfluoroalkyl and polyfluoroalkyl substances as defined in Title 38, section 1614, subsection 1, paragraph F that may no longer be used for its current or historical agricultural purposes as determined by the Department of Agriculture, Conservation and Forestry in accordance with applicable state and federal food safety standards.

C. "Eligible Class IA resource" means a Class IA resource, as defined in section 3210, subsection 2, paragraph A-3:

(1) That begins commercial operation on or after September 19, 2023; and

(2) For which a system impact study required by the New England independent system operator has been filed.

D. "Energy storage system" has the same meaning as in section 3481, subsection 6.

2. Competitive procurement. The commission shall direct investor-owned transmission and distribution utilities to enter into one or more contracts for energy and renewable energy credits from eligible Class IA resources or combined projects in accordance with this section. Customers who have made an election pursuant to section 3210, subsection 10 are subject to prohibitions on bidding on or obtaining a contract under this section as provided in section 3210, subsection 10 for contracts under section 3210-G.

A. The commission shall initiate competitive solicitations for contracts under this paragraph for energy and renewable energy credits equal to 5% of the retail electricity sales in this State for the period from January 1, 2021 to December 31, 2021 plus any amount determined pursuant to paragraph B.

B. The commission shall determine the amount of energy or renewable energy credits from Class IA resources selected for contracts pursuant to section 3210-G that have not been fulfilled and shall add this amount to the amount of energy and renewable energy credits to be contracted under paragraph A.

C. The commission shall initiate the first competitive solicitation to select eligible Class IA resources or combined projects for contract under this section by January 1, 2024.

D. For any amount of energy or renewable energy credits required to be procured under paragraph A that are not procured in the first competitive solicitation, the commission shall initiate a 2nd competitive solicitation within 12 months of the conclusion of the first solicitation. The commission shall initiate additional solicitations in the same manner until contracts have been approved to procure eligible Class IA resources or combined projects in accordance with paragraph A.

E. The commission shall require each bidder to demonstrate in the bid proposal the economic and community benefits the proposal will provide, including but not limited to:

(1) Jobs that will be created;

(2) Excise, income, property and sales taxes that will be paid; and

(3) Goods and services that will be purchased.

F. In conducting a solicitation and selecting eligible Class IA resources or combined projects for contracts under this section, the commission shall:

(1) Consider the expected effect of eligible Class IA resources on other renewable resources, as defined in section 3210, subsection 2, paragraph C, due to congestion and curtailment;

(2) Select only those eligible Class IA resources or combined projects for contracts that will benefit ratepayers; and

(3) Of those eligible Class IA resources or combined projects that benefit ratepayers, give preference to eligible Class IA resources or combined projects as follows:

(a) Primary preference to those eligible Class IA resources or combined projects that are located on contaminated land; and

(b) Secondary preference to those eligible Class IA resources or combined projects that minimize use of farmland that is not contaminated land and minimize use of forested land.

G. In conducting a solicitation and selecting combined projects for contracts under this section, the commission shall:

(1) Require 2 separate bid proposals, one with the energy storage system and one without; and

(2) Require an energy storage system selected for a contract to remain stationary and under the same ownership throughout the contract term.

H. The commission may establish a process by rule to allow an energy storage system to apply to the commission to be paired with and added to a contract awarded to an eligible Class IA resource after that resource has been awarded a contract.

3. Contract terms. A contract entered into pursuant to this section must be for a term of no more than 20 years, unless the commission finds a contract for a longer term to be prudent.

4. Renewable energy credits. The commission shall by rule establish a process to assign renewable energy credits procured pursuant to subsection 2 to a standard-offer service provider in order to satisfy that standard-offer service provider's renewable resource portfolio requirements under section 3210.

5. Rules. The commission shall adopt rules to implement this section. Rules adopted in accordance with this subsection are routine technical rules pursuant to Title 5, chapter 375, subchapter 2-A.