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House of Representatives, February 11, 2025

An Act to Reverse Recent Changes Made to the Law Governing Net Energy Billing and Distributed Generation

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ROBERT B. HUNT
Clerk

Presented by Representative SOBOLESKI of Phillips. Cosponsored by Senator MARTIN of Oxford and

Representatives: CAMPBELL of Orrington, DRINKWATER of Milford, GREENWOOD of Wales, GRIFFIN of Levant, RUDNICKI of Fairfield, STROUT of Harrington, THORNE of Carmel, WOODSOME of Waterboro.

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

- **Sec. 1. 2 MRSA §9, sub-§6-A, ¶A,** as amended by PL 2023, c. 533, §1, is further amended by amending subparagraph (2) to read:
 - (2) "Energy storage system" has the same meaning as in Title 35-A, section 3481, subsection 6 102, subsection 4-D.
- **Sec. 2. 26 MRSA §1304, sub-§1-A,** as enacted by PL 2021, c. 705, §2, is amended by amending the first blocked paragraph to read:
- "Assisted project" does not include a project for which the Public Utilities Commission approved a term sheet or contract or otherwise provided project-specific authorization or approval pursuant to Title 35-A on or before June 29, 2021 or a project that is participating in net energy billing and that meets the requirements of Title 35-A, section 3209-A, subsection 7 or Title 35-A, section 3209-B.
 - Sec. 3. 35-A MRSA §102, sub-§4-D is enacted to read:
- 4-D. Energy storage system. "Energy storage system" means a commercially available technology that uses mechanical, chemical or thermal processes for absorbing energy and storing it for a period of time for use at a later time.
- Sec. 4. 35-A MRSA §3145, as amended by PL 2023, c. 374, §1, is further amended to read:

§3145. State energy storage policy goals

The state goal for energy storage system development is at least 300 megawatts of installed capacity located within the State by December 31, 2025 and at least 400 megawatts of installed capacity located within the State by December 31, 2030. Beginning January 1, 2024, and every 2 years thereafter, the Governor's Energy Office established in Title 2, section 9 may reevaluate and increase the state goal for energy storage system development and report that goal to the joint standing committee of the Legislature having jurisdiction over energy and utilities matters. For the purposes of this section, "energy storage system" has the same meaning as in section 3481, subsection 6.

Sec. 5. 35-A MRSA §3209-A, as amended by PL 2023, c. 230, §1 and c. 411, §2, is repealed and the following enacted in its place:

§3209-A. Net energy billing

The commission may adopt or amend rules governing net energy billing. Rules adopted or amended under this section are major substantive rules as defined in Title 5, chapter 375, subchapter 2-A. For the purposes of this section, "net energy billing" means a billing and metering practice under which a customer is billed on the basis of the difference between the kilowatt-hours delivered by a transmission and distribution utility to the customer over a billing period and the kilowatt-hours delivered by the customer to the transmission and distribution utility over the billing period, taking into account accumulated unused kilowatt-hour credits from the previous billing period.

- **Sec. 6. 35-A MRSA §3209-B,** as amended by PL 2023, c. 411, §§3 and 4, is repealed.
- Sec. 7. 35-A MRSA §3209-C, as corrected by RR 2023, c. 2, Pt. A, §55, is repealed.

- 1 **Sec. 8. 35-A MRSA §3209-D, sub-§1, ¶A,** as enacted by PL 2023, c. 411, §6, is 2 repealed and the following enacted in its place: 3 A. "Distributed generation resource" means an electric generating facility that uses a renewable fuel or technology under section 3210, subsection 2, paragraph B-3, is 4 located in the service territory of a transmission and distribution utility in the State, has 5 a nameplate capacity of at least one megawatt and not more than 2 megawatts and: 6 7 (1) Is a member of a cluster study conducted by the transmission and distribution 8 utility with which the distributed generation resource is seeking to interconnect; or 9 (2) Received required transmission approval from the New England independent 10 system operator on or before April 30, 2024. 11 Sec. 9. 35-A MRSA §3209-D, sub-§5, as enacted by PL 2023, c. 411, §6, is 12 repealed. Sec. 10. 35-A MRSA §3209-E, as enacted by PL 2023, c. 411, §7, is repealed. 13 Sec. 11. 35-A MRSA §3210-J, sub-§1, ¶D, as enacted by PL 2023, c. 321, §3, is 14 15 repealed. Sec. 12. 35-A MRSA §3214, sub-§2, ¶C, as enacted by PL 2023, c. 230, §2, is 16 amended to read: 17 18 C. Receive funds remitted by transmission and distribution utilities with net energy 19 billing arrangements for expired kilowatt-hour credits in accordance with section 3209-A, subsection 8 rules adopted by the commission pursuant to section 3209-A. 20 21 Sec. 13. 35-A MRSA §3401-A, sub-§13, as enacted by PL 2023, c. 481, §2, is 22 repealed and the following enacted in its place: 23 13. Nameplate capacity. "Nameplate capacity" means the installed or rated capacity 24 of a power generator. 25 Sec. 14. 35-A MRSA §3474, sub-§3, as amended by PL 2023, c. 307, §5, is further 26 amended to read: 27 Interconnection rules. The commission shall adopt rules related to the interconnection of renewable capacity resources, as defined in section 3210-C, subsection 28 29 1, paragraph E, using solar power, referred to in this subsection as "solar resources," and 30 energy storage systems, as defined in section 3481, subsection 6, whether or not colocated 31 with solar resources, to investor-owned transmission and distribution utilities, as defined 32 in section 3201, subsection 11-A, in a manner that supports the goals in this section and 33 ensures: 34
 - A. The State's interconnection rules reflect nationally recognized best practices, which may include, but are not limited to, those established by the Interstate Renewable Energy Council, or successor organization, and prioritize interconnection of solar resources and energy storage systems owned by customers of investor-owned transmission and distribution utilities and used to serve an on-site load;

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B. Customers affected by deficiencies in the rules are able to access timely resolution processes that do not place an undue burden on the customer; and

- C. Investments in investor-owned transmission and distribution utility distribution upgrades related to load are coordinated with utility infrastructure upgrades required for the interconnection of renewable capacity resources using solar power and energy storage systems.

 Rules adopted under this subsection are routine technical rules as defined in Title 5, chapter
 - 375, subchapter 2-A.

 Sec. 15. 35-A MRSA c. 34-C, as amended, is repealed.

- **Sec. 16. 35-A MRSA §3623, sub-§3, ¶C,** as enacted by PL 2021, c. 604, §3, is amended to read:
- C. Satisfy the limits on net generating capacity established in subsection 2, paragraph A; and
- **Sec. 17. 35-A MRSA §3623, sub-§3, ¶D,** as amended by PL 2023, c. 353, §5, is further amended to read:
 - D. Be highly efficient, as determined by the commission on a technology-specific basis; and.
- **Sec. 18. 35-A MRSA §3623, sub-§3, ¶E,** as enacted by PL 2021, c. 604, §3, is repealed.
 - **Sec. 19. 35-A MRSA §10102, sub-§5-A,** as enacted by PL 2021, c. 298, §2, is repealed.
 - **Sec. 20. 35-A MRSA §10202, sub-§7, ¶B,** as enacted by PL 2021, c. 142, §1, is amended to read:
 - B. Involve a renewable energy installation, an energy storage system as defined in section 3481, subsection 6, an electric thermal storage system, electric vehicle supply equipment or heating equipment that meets or exceeds standards established or approved by the trust. Heating equipment that is not a renewable energy installation must be heating equipment that produces the lowest carbon emissions of any heating equipment reasonably available to the property owner, as determined by the trust, and must meet the requirements of section 10204, subsection 1, paragraph B.
 - Sec. 21. 36 MRSA §655, sub-§1, ¶V, as enacted by PL 2023, c. 682, §3, is amended by amending subparagraph (3) to read:
 - (3) All of the energy is transmitted through the facilities of a transmission and distribution utility and a utility customer or customers receive a utility bill credit for the energy generated by the equipment pursuant to Title 35-A, section 3209-A or 3209-B and the generator of electricity entered into a fully executed interconnection agreement with a transmission and distribution utility prior to June 1, 2024.
 - Sec. 22. 36 MRSA §656, sub-§1, ¶L, as enacted by PL 2023, c. 682, §5, is amended by amending subparagraph (3) to read:
 - (3) All of the energy is transmitted through the facilities of a transmission and distribution utility and a utility customer or customers receive a utility bill credit for the energy generated by the equipment pursuant to Title 35-A, section 3209-A

or 3209-B and the generator of electricity entered into a fully executed interconnection agreement with a transmission and distribution utility prior to June 1, 2024.

Sec. 23. Public Utilities Commission to amend rules regarding net energy billing. Within 60 days of the effective date of this Act, the Public Utilities Commission shall initiate rulemaking pursuant to the Maine Revised Statutes, Title 35-A, section 3209-A to amend its rule Chapter 313: Customer Net Energy Billing to be substantively equivalent to the rule in effect on March 29, 2017.

9 SUMMARY

This bill repeals the provisions of law enacted by Public Law 2019, chapter 478 related to net energy billing and distributed generation. It directs the Public Utilities Commission to initiate rulemaking to amend its rule regarding net energy billing to be substantially similar to that in effect on March 29, 2017. The bill also repeals or amends provisions of law in the Maine Revised Statutes, Title 35-A that rely on provisions that were enacted by Public Law 2019, chapter 478 and are repealed by this bill.