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Resolve, To Promote Cogeneration of Energy at Maine Sawmills

Sec. 1 Stakeholder group. Resolved: That the Executive Department, Governor's Office of Energy Independence and Security shall convene a stakeholder group to examine and make recommendations regarding the concept of cogeneration energy zones, as described in section 2, to promote cogeneration at sawmills in the State. The office shall, at a minimum, invite representatives of the Public Utilities Commission, the Office of the Public Advocate, the forest products industry, transmission and distribution utilities and other interested parties to participate in the stakeholder group; and be it further

Sec. 2 Cogeneration energy zone. Resolved: That, for the purposes of this resolve, "cogeneration energy zone" means a designated geographic area that includes a sawmill that has an on-site cogeneration facility. The stakeholder group under section 1 shall consider the following criteria in developing the concept of cogeneration energy zones:

1. Allowing the zone to include not less than 2 and not more than 10 manufacturing facilities, including the subject sawmill;
2. Limiting the zone to a maximum radius of 10 miles;
3. Limiting the cogeneration facility to an installed capacity limit of 5 megawatts;
4. Requiring the cogeneration facility to meet fuel system efficiency standards or use a renewable resource as its fuel input;
5. Allowing the sawmill that owns the on-site cogeneration facility and other entities within the zone that share an ownership interest in the cogeneration facility to elect net energy billing. If the cogeneration facility has an installed capacity of more than 660 kilowatts and net energy billing is elected, the sawmill and any shared ownership customers that elect net energy billing would be required to pay a fee to the transmission and distribution utility to mitigate cost shifting to other ratepayers. If the cogeneration facility has an installed capacity of 660 kilowatts or less, the Public Utility Commission's rules governing net energy billing would apply. If there is no shared ownership of the cogeneration facility, the sawmill may sell its net excess generation pursuant to the small generator aggregation law under the Maine Revised Statutes, Title 35-A, section 3210-A;
6. Allowing the construction of a private transmission line to be considered, subject to the requirements of Title 35-A, section 2305-B if the transmission and distribution utility serving the location of the cogeneration facility does not have the capacity to transmit the output of the cogeneration facility to the shared ownership customers; and
7. Allowing the nonelectric energy produced by the cogeneration facility to be shared with other entities through private agreement; and be it further

Sec. 3 Report; authority for legislation. Resolved: That, no later than February 15, 2010, the Executive Department, Governor's Office of Energy Independence and Security shall submit to the Joint Standing Committee on Utilities and Energy a report of the findings and recommendations of the

RESOLVE Chapter 81 LD 1044, item 1, 124th Maine State Legislature
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stakeholder group under section 1, including any suggested legislation. After receipt and review of the report, the committee is authorized to report out legislation to the Second Regular Session of the 124th Legislature regarding cogeneration energy zones.