



129th MAINE LEGISLATURE

SECOND REGULAR SESSION-2020

Legislative Document

No. 1896

S.P. 648

In Senate, December 24, 2019

An Act To Authorize Separate Alternative Compliance Payment Rates for Maine's Renewable Portfolio Standard and To Amend the Laws Governing Thermal Renewable Energy Credits

(EMERGENCY)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Received by the Secretary of the Senate on December 20, 2019. Referred to the Committee on Energy, Utilities and Technology pursuant to Joint Rule 308.2 and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator VITELLI of Sagadahoc.

Cosponsored by Representative BERRY of Bowdoinham and

Senators: LAWRENCE of York, WOODSOME of York, Representatives: HUBBELL of Bar Harbor, RILEY of Jay.

1 **Emergency preamble. Whereas,** acts and resolves of the Legislature do not
2 become effective until 90 days after adjournment unless enacted as emergencies; and

3 **Whereas,** this legislation needs to take effect before the expiration of the 90-day
4 period in order to provide guidance for rulemaking as soon as possible; and

5 **Whereas,** in the judgment of the Legislature, these facts create an emergency within
6 the meaning of the Constitution of Maine and require the following legislation as
7 immediately necessary for the preservation of the public peace, health and safety; now,
8 therefore,

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

10 **Sec. 1. 35-A MRSA §3210, sub-§3-C,** as enacted by PL 2019, c. 477, §1, is
11 amended to read:

12 **3-C. Portfolio requirements; thermal renewable energy credits.** Each
13 competitive electricity provider must, in addition to meeting the other portfolio
14 requirements of subsections 3, 3-A and 3-B, demonstrate in a manner satisfactory to the
15 commission that it has purchased thermal renewable energy credits in an amount at least
16 equal to the following percentages of its portfolio of supply sources for retail electricity
17 sales in this State other than to customers who have made an election pursuant to
18 subsection 10 that is in effect with respect to this subsection:

- 19 A. For calendar year 2021, 0.4%;
- 20 B. For calendar year 2022, 0.8%;
- 21 C. For calendar year 2023, 1.2%;
- 22 D. For calendar year 2024, 1.6%;
- 23 E. For calendar year 2025, 2%;
- 24 F. For calendar year 2026, 2.4%;
- 25 G. For calendar year 2027, 2.8%;
- 26 H. For calendar year 2028, 3.2%;
- 27 I. For calendar year 2029, 3.6%; and
- 28 J. For calendar year 2030, and each year thereafter, 4%.

29 Retail electricity sales pursuant to a supply contract or standard-offer service arrangement
30 executed by a competitive electricity provider that is in effect on September 19, 2019 are
31 exempt from the requirements of this subsection until the end date of the existing term of
32 the supply contract or standard-offer service arrangement.

33 **Sec. 2. 35-A MRSA §3210, sub-§9, ¶A,** as amended by PL 2019, c. 477, §1, is
34 further amended to read:

- 35 A. The commission shall set the alternative compliance payment rate by rule, which
36 may not be greater than \$50, and shall publish the alternative compliance payment

1 rate by January 31st of each year. In setting the rate, the commission shall take into
2 account prevailing market prices, standard-offer service prices for electricity, reliance
3 on alternative compliance payments to meet the requirements of subsections 3-A, 3-B
4 and 3-C and investment in Class I and Class IA resources and thermal renewable
5 energy credits in the State during the previous calendar year. The commission may
6 set separate alternative compliance payment rates for Class I resources under
7 subsection 3-A, Class IA resources under subsection 3-B and thermal renewable
8 energy credits under subsection 3-C.

9 **Emergency clause.** In view of the emergency cited in the preamble, this
10 legislation takes effect when approved.

11 **SUMMARY**

12 This bill provides that retail electricity sales pursuant to a supply contract or standard-
13 offer service arrangement executed by a competitive electricity provider that is in effect
14 on September 19, 2019 are exempt from the requirement for the purchase of thermal
15 renewable energy credits until the end date of the existing term of the supply contract or
16 standard-offer service arrangement. It also allows the Public Utilities Commission to set
17 separate alternative compliance payment rates for Class I resources, Class IA resources
18 and thermal renewable energy credits under the laws governing renewable resources.