ENERGY, UTILITIES AND TECHNOLOGY

Reproduced and distributed under the direction of the Secretary of the Senate.

STATE OF MAINE

SENATE

131ST LEGISLATURE

FIRST SPECIAL SESSION


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

'Sec. 1. 5 MRSA §158 is enacted to read:

§158. Fishing Community Protection and Low-income Ratepayer Fund

1. Fund established. The Fishing Community Protection and Low-income Ratepayer Fund, referred to in this section as "the fund," is established within the Office of the Treasurer of State as a nonlapsing, dedicated fund to be used to incentivize the siting of floating offshore wind power projects to avoid conflict with commercial fisheries in the Gulf of Maine and related human uses of the State's submerged lands as well as to assist low-income ratepayers.

2. Administration. The Treasurer of State shall administer the fund as provided in this section.

3. Sources of funds. The following funds must be transferred on receipt to the Treasurer of State for deposit in the fund:

A. Submerged lands operating fee payments for offshore wind power projects as described in Title 12, section 1862, subsection 13, paragraph B, subparagraph (10);

B. Money appropriated from the General Fund; and

C. Money from any other federal, state or private sources.

4. Disbursement of funds; required uses. The Treasurer of State shall annually disburse the money in the fund in consultation with the Public Utilities Commission, the Office of the Public Advocate and the Maine State Housing Authority for use as follows:

A. Eighty percent of the fund must be used to provide grants to developers of floating offshore wind power projects, manufacturers of floating offshore wind power
component parts and operators of floating offshore wind power projects that fulfill the following criteria:

(1) The project's generation facilities are located outside of Lobster Management Area 1, as defined by the Department of Marine Resources by rule; and

(2) The developer, manufacturer or operator has a fully executed labor peace agreement, as defined in Title 35-A, section 3401-A, subsection 6, or commits to executing one, with bona fide labor organizations that actively represent or seek to represent employees providing nonconstruction work on the project and the construction work on the project is covered by a project labor agreement, as defined in Title 35-A, section 3210-H, subsection 1, paragraph C; and

B. Twenty percent to provide financial assistance for low-income households in accordance with Title 35-A, section 3214, subsection 2.

The Treasurer of State, in consultation with the Public Utilities Commission, the Office of the Public Advocate and the Maine State Housing Authority, may adopt rules to implement this section. Rules adopted pursuant to this section are routine technical rules pursuant to chapter 375, subchapter 2-A.

Sec. 2. 12 MRSA §1862, sub-§13, ¶B, as enacted by PL 2009, c. 615, Pt. B, §1 and amended by PL 2011, c. 657, Pt. W, §7 and c. 682, §38 and PL 2013, c. 405, Pt. A, §24, is further amended by enacting a new subparagraph (10) to read:

(10) If the application for a lease or easement submitted in connection with an offshore wind power project, as defined in Title 35-A, section 3405, subsection 1, paragraph C, is selected for a contract in accordance with Title 35-A, section 3408, the following requirements apply.

(a) The director shall charge an annual operating fee to a lessee, permittee or grantee of an easement based on the electricity generated in connection with the use of the lease, permit or easement for the use of submerged lands owned by the State in connection with an offshore wind power project. The bureau shall adopt routine technical rules to establish the annual operating fee at an amount equal to 20% of the amount set out in 30 Code of Federal Regulations, Section 585.506. A fee required in accordance with this division is in addition to any rent that may be required under this Title.

(b) The applicant must demonstrate that it has fully executed or will execute a labor peace agreement, as defined in Title 35-A, section 3401-A, subsection 6, with bona fide labor organizations that actively represent or seek to represent employees working for and providing operations or maintenance services in connection with the offshore wind power project.

Sec. 3. 12 MRSA §1863, sub-§2, ¶A is enacted to read:

A. When the director expends money from the fund for the purpose of constructing improvements in connection with an offshore wind power project, as defined in Title 35-A, section 3405, subsection 1, paragraph C, selected for a contract in accordance with Title 35-A, section 3408, the expenditure of that money must be conditioned upon the recipient's agreement to conform to the requirements applicable to assisted projects under Title 26, chapter 15.
Sec. 4. 26 MRSA §1304, sub-§1-A, as enacted by PL 2021, c. 705, §2, is amended by enacting before the first blocked paragraph a new blocked paragraph to read:

"Assisted project" includes any construction project that receives funding under Title 12, section 1863, subsection 2, paragraph A.

Sec. 5. 35-A MRSA §3401-A is enacted to read:

§3401-A. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

1. Certified business. "Certified business" means a business that has been certified by the federal Small Business Administration or another appropriate entity, as determined by the commission by rule, as a minority-owned, veteran-owned or women-owned business.

2. Extraterritorial wind project. "Extraterritorial wind project" means a project to develop an offshore wind power project located seaward of the State's territorial waters.

3. Fishing community. "Fishing community" means a municipality where marine organisms as defined in Title 12, section 6001, subsection 26 are landed or processed.

4. Floating extraterritorial wind project. "Floating extraterritorial wind project" means a floating offshore wind power project that is located seaward of the State's territorial waters.

5. Labor organization. "Labor organization" has the same meaning as in section 3210-H, subsection 1, paragraph B.

6. Labor peace agreement. "Labor peace agreement" means an agreement between an employer and a labor organization in which the employer agrees to be neutral during a union organizing campaign and to not interfere with union organizing and the labor organization agrees not to engage in picketing, work stoppages, boycotts or other economic interference with the employer.

7. Lobster Management Area 1. "Lobster Management Area 1" means the area defined by rule as Lobster Management Area 1 by the Department of Marine Resources.

8. Nameplate capacity. "Nameplate capacity" has the same meaning as in section 3481, subsection 11.


10. Offshore wind power project. "Offshore wind power project" has the same meaning as in section 3405, subsection 1, paragraph C.

11. Project labor agreement. "Project labor agreement" has the same meaning as in section 3210-H, subsection 1, paragraph C.

12. Responsible entity. "Responsible entity" means the person or business entity undertaking to develop an extraterritorial wind project.

Sec. 6. 35-A MRSA §3404, sub-§2, as amended by PL 2009, c. 615, Pt. A, §4, is repealed and the following enacted in its place:
2. **State wind energy generation goals.** The State's goal for wind energy development in proximate federal waters is for at least 3,000 megawatts of installed capacity by December 31, 2040. Beginning January 1, 2025 and every 2 years thereafter, the office may reevaluate and increase the goal established by this section and report that goal to the joint standing committee of the Legislature having jurisdiction over energy and utilities matters.

Sec. 7. 35-A MRSA §3406, as enacted by PL 2021, c. 407, §3, is amended to read:

§3406. Offshore Wind Research Consortium; fund established

1. **Offshore Wind Research Consortium.** The Offshore Wind Research Consortium is an initiative of the Governor's Energy Office office, in collaboration with the Department of Marine Resources and the Department of Inland Fisheries and Wildlife, to coordinate, support and arrange for the conduct of research on offshore wind power projects in the Gulf of Maine.

2. **Advisory board.** The Governor's Energy Office office, in consultation with independent scientific experts, shall establish an advisory board of the consortium to oversee the development and execution of a research strategy to better understand the local and regional impacts of floating offshore wind power projects in the Gulf of Maine. The advisory board must include, but is not limited to, the following members:

   A. Two individuals from organizations that represent commercial lobster harvesting interests in the State;
   B. At least one individual from an organization that represents the interest of commercial fisheries other than lobster harvesting;
   C. The Commissioner of Marine Resources, or the commissioner's designee;
   C-1. The Commissioner of Inland Fisheries and Wildlife, or the commissioner's designee;
   D. Two individuals, not represented by an organization, that represent the interests of the commercial lobster harvesting industry and commercial fisheries in the State; and
   E. One individual from the recreational charter fishing industry;
   F. At least one individual who is a member of one of the federally recognized Indian tribes in this State;
   G. Two individuals with expertise in marine wildlife and habitats; and
   H. At least one individual with experience in commercial offshore wind development.

The advisory board is subject to all applicable provisions of the Freedom of Access Act. The operation of the advisory board must be informed by the work of regional and national scientific entities. The advisory board shall solicit input from stakeholders, including representatives of the fishing industry, state and federal agencies and scientific experts.

3. **Research strategy.** The advisory board established in subsection 2 in developing a research strategy shall at a minimum identify:

   A. Opportunities and challenges caused by the deployment of floating offshore wind power projects to the existing uses of the Gulf of Maine;
B. Methods to avoid and minimize the impact of floating offshore wind power projects on ecosystems and existing uses of the Gulf of Maine; and

C. Ways to realize cost efficiencies in the commercialization of floating offshore wind power projects.

The advisory board shall advise the Governor's Energy Office on the development of the components of the research strategy.

4. Offshore Wind Research Consortium Fund; established. The Offshore Wind Research Consortium Fund, referred to in this subsection as "the fund," is established as a nonlapsing fund administered by the Governor's Energy Office and the Department of Marine Resources and in coordination with the Department of Inland Fisheries and Wildlife. The fund consists of funds that are appropriated by the Legislature, funds received from federal and state sources, payments from extraterritorial wind projects in accordance with section 3408, subsection 1, paragraph D, subparagraph (3) and other funds from any public or private source received for use for any of the purposes under this subsection. The source of any funds received from public or private sources must be publicly disclosed. The fund may be used to support the consortium and the work of the advisory board established in subsection 2, including for:

A. Developing the research strategy under subsection 3;

B. Conducting research pursuant to the strategy developed under subsection 3;

B-1. Supporting conservation actions and projects that support species and habitats impacted by offshore wind development;

C. Producing reports or other materials;

D. Compensating independent experts, if needed to assist in the development or execution of the research strategy under subsection 3; and

E. Making any other expenditures that are necessary to achieve the purposes of this section.

The Governor's Energy Office, in consultation with the advisory board, shall provide an annual report on the use of the fund in the last quarter of each calendar year to the joint standing committee of the Legislature having jurisdiction over energy and utility matters.

Sec. 8. 35-A MRSA §3407 is enacted to read:

§3407. Maine Offshore Wind Renewable Energy and Economic Development Program

1. Program established. The Maine Offshore Wind Renewable Energy and Economic Development Program, referred to in this section as "the program," is established to further the development and use of offshore wind energy resources in the Gulf of Maine, referred to in this section as "offshore wind projects." The office, in collaboration with the commission, shall administer the program in accordance with this section and shall ensure that the program is designed to advance the greenhouse gas emissions reduction obligations and climate policies of this State under Title 38, section 576-A and Title 38, section 577, subsection 1, the renewable energy goals established in section 3210, subsection 1-A and all applicable workforce development efforts of this State. Under the program, the office, in collaboration with the commission, shall:
A. Encourage the responsible development of offshore wind projects to stabilize energy supply prices, reduce this State's reliance on imported fossil fuels, realize direct and near-term economic benefits for the people of this State and ensure the achievement of this State's wind energy generation goals established in section 3404, subsection 2;

B. Support offshore wind projects that result in long-term, family-supporting careers, including for disadvantaged populations and communities;

C. Support responsibly sited and operated offshore wind projects that avoid or minimize and compensate for impacts to wildlife, habitat, fisheries and coastal communities in the Gulf of Maine;

D. Support efforts to increase understanding of impacts of offshore wind projects on the marine environment and to advance research to better understand how offshore wind projects can coexist with minimal impact to existing ocean users, wildlife, fisheries and the marine environment;

E. Promote diversity, equity and inclusion in the development of offshore wind projects with particular consideration given to the energy and economic circumstances and opportunities in coastal and socially vulnerable communities and for the federally recognized Indian tribes. For the purposes of this paragraph, "socially vulnerable communities" means those communities containing populations that are disproportionately burdened by existing social inequities or lack the capacity to withstand new or worsening burdens;

F. Support the advancement of port infrastructure and the development of a supply chain to support the development of offshore wind projects;

G. Support the development and deployment of innovative technologies to achieve the energy policy and economic development objectives of this State, including energy storage;

H. Support the use of Maine-based technical and engineering expertise and build on this State's leadership in offshore wind, maritime industries and research and development;

I. Support the development of transmission infrastructure necessary for this State to expeditiously meet its renewable energy and climate goals, including advancing the development of shared or regional offshore wind transmission infrastructure;

J. Collaborate with other states or entities when appropriate on regional issues, including, but not limited to, transmission, procurement, supply chain and workforce development and research and monitoring relating to wildlife, fisheries and the Gulf of Maine ecosystem;

K. Support responsibly sited offshore wind projects located in areas outside of the area of the Gulf of Maine where the majority of lobster fishing or other significant commercial fishing occurs;

L. Coordinate the activities of state agencies that are affected by the development of offshore wind projects, including, but not limited to, the Department of Economic and Community Development, the Department of Marine Resources, the Department of Transportation, the Department of Inland Fisheries and Wildlife and the Department of Environmental Protection; and
M. Support the development of deep-water offshore wind projects and transmission infrastructure in the Gulf of Maine that serve the public interest by advancing the renewable energy and climate policies and economic development goals of this State and helping to reduce energy price volatility.

2. Federal lease stipulations. The office, in consultation with other state agencies, including, but not limited to, the Department of Marine Resources, shall advocate for the inclusion in any leases issued by a federal agency for offshore wind energy production in federal waters provisions that will:

A. Support economic development, including the development of port infrastructure;
B. Promote public communications plans about the leased activity;
C. Ensure appropriate engagement with federally recognized Indian tribes;
D. Include adequate transmission planning;
E. Result in access to research conducted in connection with the lease; and
F. Maximize mitigation of and compensation for impacts to coastal communities, wildlife, fisheries and the marine environment.

Sec. 9. 35-A MRSA §3408 is enacted to read:

§3408. Offshore wind energy procurement

1. Preparation of requests for proposals; offshore wind energy facilities. The office shall establish a schedule for competitive solicitations for the development and construction of floating extraterritorial wind projects to meet the objectives of the program as described in section 3407. The office shall prepare, in consultation with appropriate state agencies, a request for proposals to implement each competitive solicitation. Upon developing a request for proposals for a competitive solicitation under this section, the office shall submit the request for proposals to the commission for approval.

A. Each solicitation must specify the date on which a subsequent solicitation must be initiated and the specified date must be within 36 months of a previous solicitation.
B. The office shall make reasonable efforts to consult with entities within this State, including, but not limited to, the commission, the Office of the Public Advocate and entities included in section 3407, subsection 1, paragraph L, and other states or entities regarding coordinated solicitations.
C. A solicitation under this section must seek proposals for floating extraterritorial wind projects with not less than approximately 600 megawatts of nameplate capacity or of sufficient size to enable cost-competitive commercial-scale development. A solicitation developed in coordination with other states or entities may seek proposals for projects with a nameplate capacity of less than 600 megawatts if the coordinated solicitation is in an aggregate amount sufficient to enable cost-competitive commercial-scale development.
D. A solicitation under this section must specify bidder criteria, including:

(1) Submission of plans that meet or exceed state and federal requirements or guidelines and are consistent with the recommendations in the Maine Offshore Wind Roadmap issued by the office in February 2023:
(a) To ensure stakeholder engagement, capacity building and equity with particular consideration given to the energy and economic circumstances and opportunities in coastal and socially vulnerable communities, as defined in section 3407, subsection 1, paragraph E;

(b) To achieve economic and community benefits, including, but not limited to, investments in and development of ports, supply chains and the necessary workforce;

(c) To achieve diversity, equity and inclusion in employment and contracting for the project;

(d) To provide for fisheries research, monitoring and mitigation; and

(e) To provide for environmental and wildlife research, monitoring, mitigation and conservation;

2. A fishing communities investment plan, as described in subsection 3;

3. An agreement by the responsible entity, if it is approved for a contract under this section, to pay an amount equal to $10,000 per megawatt of the floating extraterritorial wind project's nameplate capacity to the Offshore Wind Research Consortium Fund in accordance with section 3406, subsection 4; and

4. An agreement by the responsible entity, if it is approved for a contract under this section, to provide financial and technical assistance necessary to implement the plans listed in subparagraphs (1) and (2).

The office may waive any of the requirements of this paragraph if the office determines that applicable federal or state criteria, including, but not limited to, federal lease provisions, adequately achieve the applicable requirement.

E. A solicitation under this section must be announced, prior to issuance, through a notice of intent and made available in draft form, including the criteria for the plans required pursuant to paragraph D, for public comment. The office shall:

1. Conduct at least 2 public comment sessions on the solicitation, at least one of which must be in person, in advance of the publication of a draft solicitation to assist in the development of the contents of the draft solicitation;

2. Respond in writing to the comments received regarding the draft solicitation;

3. Coordinate with the Department of Economic and Community Development, the Department of Marine Resources, the Department of Transportation, the Department of Inland Fisheries and Wildlife and the Department of Environmental Protection on the development of the criteria for the plans required pursuant to paragraph D;

4. Request comments on the draft solicitation from each federally recognized Indian tribe and the Maine Indian Tribal-State Commission; and

5. In developing the plan criteria for the plans required pursuant to paragraph D, consider all comments received under subparagraph (4).

2. Requests for proposals; floating extraterritorial wind projects. The commission shall review a solicitation developed by the office under subsection 1 and, upon finding that the solicitation is reasonably likely to attract competitive bids and further the objectives
of the program as described in section 3407, shall issue a request for proposals in accordance with this subsection.

A. The office shall file with the commission the first solicitation by July 1, 2025 unless another date is established by mutual agreement between the office and the commission.

B. The commission shall issue the first request for proposals by January 15, 2026.

C. If, within any 3-year period beginning January 1, 2026 and ending January 1, 2039, the commission has not found a solicitation submitted by the office to be reasonably likely to further the objectives of the program, the commission shall expeditiously develop and issue a request for proposals consistent with the requirements of this section.

D. The commission shall review and make a determination regarding a solicitation submitted by the office within 6 months of the date of submission.

E. If the commission determines that a contract for an amount greater than those specified in subsection 1, paragraph C is in the public interest, it may select resources and approve contracts accordingly.

F. In conducting a solicitation and selecting floatingextraterritorial wind projects under this section, the commission shall ensure that selected projects result in contracts that are cost-effective for electric ratepayers over the term of the contract, taking into consideration potential quantitative and qualitative economic, environmental and other benefits to ratepayers. The commission shall give greater priority to projects that are eligible for and intend to apply for funding under Title 5, section 158. The commission shall give secondary priority to projects that:

1. Provide employment and contracting opportunities for members of federally recognized Indian tribes; workers from disadvantaged communities as defined by the United States Council on Environmental Quality's climate and economic justice screening tool or by an agency of this State using standards similar to those in the screening tool as determined by the commission, the United States Department of Commerce, Economic Development Administration's economic distress criteria or the United States Department of Energy's energy disadvantaged community criteria; and certified businesses;

2. Provide community benefits, as determined preconstruction through consultation with federally recognized Indian tribes, a stakeholder engagement process that includes disadvantaged communities, as described in subparagraph (1), and investments in fishing communities;

3. Provide financial contributions or technical assistance to support research, monitoring and mitigation of impacts to wildlife, fisheries and habitats and the minimization of environmental impacts from the floating extraterritorial wind project and related transmission and interconnection infrastructure;

4. Include negotiated workforce agreements including project labor agreements and labor peace agreements with labor organizations for manufacturing, construction, renovation, reconstruction, alteration, installation, demolition, expansion, maintenance and repair and surface transportation;
(5) Have generation facilities located outside of Lobster Management Area 1;

(6) Effectively use ports and other infrastructure in this State;

(7) Maximize the hiring of residents of this State; and

(8) Provide ratepayer benefits, including, but not limited to, enhanced electric reliability, resource adequacy including contributing to reducing winter electricity price spikes and overall price impacts, avoidance of line loss and mitigation of transmission costs to the extent possible.

The commission shall allow the office to review the bids submitted pursuant to this subsection. The office may provide input to the commission upon review of the bids, which may include an assessment as to whether any bids submitted are consistent with the goals of the program as described in section 3407, subsection 1.

G. The commission may direct one or more transmission and distribution utilities to enter into long-term contracts for energy, capacity or renewable energy credits from floating extraterritorial wind projects selected by the commission in accordance with this subsection.

H. If, at the close of a competitive bidding process conducted under this section, the commission determines that the proposals submitted do not satisfy the requirements of paragraph F, the commission shall reject all proposals and shall open a new competitive bidding process under this subsection.

I. Notwithstanding Title 5, section 8071, subsection 3, the commission, after consultation with the office, may establish by rule reasonable fees that bidders must submit with proposals for floating extraterritorial wind projects. Fees collected pursuant to this paragraph must be used for the administration of this section. Upon request of the office, the commission may transfer fees collected in accordance with this paragraph to the office for the administration of this section.

3. Fishing communities investment plan requirements. A fishing communities investment plan must include a plan for ongoing investment in commercial fishing communities with a stated annual target rate of investment.

A. The plan must be designed to:

(1) Support innovation and adaptation in response to environmental change, shifting resource economics and changes in fishing practices associated with offshore wind development;

(2) Protect seafood-related working waterfront infrastructure;

(3) Assist persons fishing commercially at an entry level; and

(4) Assist persons fishing commercially seeking to provide the responsible entity with offshore services.

B. Investment strategies within the plan may include, but are not limited to, subsidizing commercial lending interest rates, loan guarantees and funding state programs or grant programs to support persons fishing commercially and fishing-related businesses and entities established to provide support services to the fishing industry.

C. The plan must identify administration costs separately from the annual target rate of investment.
D. The plan must include a requirement that the responsible entity convene an advisory body made up of representatives, which may include, but are not limited to, representatives from the fishing industry and fishing community, the Department of Marine Resources, relevant commercial lending institutions, a person appointed by the responsible entity to serve as the liaison to the fishing community and other relevant persons or entities. The advisory body must monitor investment plan performance against the annual target, monitor effectiveness of investment strategies and identify opportunities for improving fisheries and fishing communities through plan investment.

4. Funding. Notwithstanding section 116, subsection 4, upon receiving a written request from the office, the commission may provide reasonable funding to the office for the purposes of implementing the requirements of this section.

5. Rulemaking; protective orders. The commission shall adopt rules to implement this section. Rules adopted under this subsection are routine technical rules pursuant to Title 5, chapter 375, subchapter 2-A. The rules must include procedures for monitoring, measuring and enforcing ongoing compliance by responsible entities with the requirements of this section.

A. The rules must require the responsible entity to provide biannual reports to the commission regarding its compliance with the plans submitted as part of its bid under subsection 2. The rules must require a report submitted by the responsible entity to exclude personally identifying information to the greatest extent practicable. If the report includes confidential or proprietary information, trade secrets or similar matters as provided by the Maine Rules of Civil Procedure, Rule 26(c), the commission may issue appropriate protective orders in accordance with section 1311-A with respect to those portions of the report and shall make available to the public an appropriately redacted copy of the report. The commission shall provide the office the redacted copy, which the office shall post on the office's publicly accessible website.

B. The commission shall establish by rule a process for the review, in coordination with the office, of the biannual reports provided by the responsible entity and a mechanism for public participation regarding the contents of the report.

Sec. 10. 35-A MRSA §3409 is enacted to read:

§3409. Offshore wind transmission

The commission, in coordination with the office, shall seek to advance regional transmission solutions to interconnect offshore wind with transmission and distribution utilities, other New England states or entities and the independent system operator of the New England bulk power system or a successor organization.

1. Transmission solicitation and procurement. The commission may conduct one or more competitive solicitations for proposals for the development and construction of offshore wind energy transmission projects or other electric infrastructure projects to facilitate offshore wind energy development and approve contracts for such projects in accordance with this section.

A. In developing a solicitation and approving a contract under this section, the commission shall:
(1) Consider the amount of transmission capacity needed to maintain or improve
electric system reliability;

(2) Avoid unnecessary costs to upgrade the existing transmission grid;

(3) Seek to achieve the greenhouse gas emissions reduction obligations and climate
policies under Title 38, section 576-A and Title 38, section 577, subsection 1 and
renewable energy goals under section 3210, subsection 1-A;

(4) Pursue demonstrable benefits for electric ratepayers; and

(5) Encourage projects that avoid, minimize or mitigate impacts to wildlife, the
environment, fisheries, fishing activities or tribal burial and archeological sites,
whether submerged or on land.

B. The commission shall coordinate with the office and may coordinate with other
entities, including, but not limited to, transmission and distribution utilities, other New
England states and the independent system operator of the New England bulk power
system or a successor organization in the solicitation and selection of proposals under
this section.

C. The commission may host conferences with prospective bidders in advance of
issuing solicitations under this section.

D. A responsible entity may submit a proposal in response to a solicitation conducted
under this section as long as the transmission service proposal provides for
transmission service for more than one offshore wind power project.

E. The commission may consider proposals that include, but are not limited to,
upgrading the existing grid, extending the grid closer to offshore wind power projects,
determining or upgrading optimal landfall approaches or interconnecting between
offshore substations.

F. The commission may select one proposal, multiple proposals or no proposals.

G. The commission may select proposals that include federal funding in the form of a
match, grant or loan or through ownership and operation by the Federal Government,
cost sharing among states or recovery of transmission costs through federal
transmission rates.

H. The commission may modify a solicitation under this section, prior to selecting any
proposal, in order to satisfy federal eligibility criteria.

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

Sec. 11. 35-A MRSA §3453-A, sub-§3, ¶A, as enacted by PL 2015, c. 265, §8
and affected by §10, is amended to read:

A. Will not have an unreasonable adverse effect on the State’s ability to meet the state
goals for wind energy development in proximate federal waters in section 3404,
subsection 2, paragraph C; and

Sec. 12. 36 MRSA §191, sub-§2, ¶SSS is enacted to read:
COMMITTEE AMENDMENT “ ” to S.P. 766, L.D. 1895

S. S. The disclosure to the joint standing committee of the Legislature having jurisdiction over taxation matters pursuant to section 6911, subsection 5, paragraph A of the revenue loss attributable to each taxpayer claiming the tax credit for qualifying offshore wind power projects provided under that section, regardless of the number of persons eligible for the credit.

Sec. 13. 36 MRSA §191, sub-§2, ¶TTT is enacted to read:

TTT. The disclosure of information to the Department of Economic and Community Development necessary for the administration of the tax credit for qualifying offshore wind power projects pursuant to section 6911, subsection 5, paragraph B.

Sec. 14. 36 MRSA c. 919-B is enacted to read:

CHAPTER 919-B

FISHING COMMUNITY PROTECTION TAX INCENTIVE

§6911. Fishing community protection tax incentive

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

A. "Certified applicant" means a qualified applicant that has received a certificate of approval from the commissioner pursuant to this section.

B. "Commissioner" means the Commissioner of Economic and Community Development.

C. "Employees based in this State" means employees that perform more than 50% of employee-related activities for the employer or its contractors or subcontractors in this State.

D. "Full-time" means an average of 36 hours weekly during the period of measurement.

E. "Offshore wind power project" has the same meaning as in Title 35-A, section 3405, subsection 1, paragraph C.

F. "Lobster Management Area 1" means the area defined by rule as Lobster Management Area 1 by the Department of Marine Resources.

G. "Qualified applicant" means an applicant that, at the time an application for a certificate of approval is submitted, satisfies all of the following criteria:

(1) The applicant has developed or intends to develop an offshore wind power project for which the generation facilities are located outside of Lobster Management Area 1; and

(2) The applicant employs or demonstrates plans to employ at least 500 full-time employees based in this State.

H. "Qualified investment" means an investment to design, permit, construct, modify, or equip the applicant's offshore wind power project. The investments and activities of a qualified applicant and other entities that are members of the qualified applicant's unitary business must be aggregated to determine whether a qualified investment has
been made. A qualified investment does not include an investment made prior to the
issuance of a certificate of approval or after December 31, 2035.

2. Public policy objectives. The public policy objectives of the credit provided under
this section are:

A. To incentivize siting offshore wind power projects in areas outside of those that
represent the majority of effort by the lobster industry in the northeast region and this
State's other significant commercial fisheries in a manner that avoids, minimizes and
compensates for impacts to wildlife, habitat, fisheries and coastal communities in the
Gulf of Maine;

B. To protect ratepayers from any additional costs associated with the siting objectives
in paragraph A; and

C. To increase this State's competitiveness in securing offshore wind power projects
and receiving the associated climate and economic benefits.

3. Procedures for application; certificate of approval. The provisions of this
subsection govern the procedures for providing for and obtaining a certificate of approval.

A. A qualified applicant may apply to the commissioner for a certificate of approval.
An applicant shall submit to the commissioner information demonstrating that the
applicant is a qualified applicant. If a certified applicant undertakes to make an
additional qualified investment, the certified applicant may apply to the commissioner
for an additional certificate of approval.

B. The commissioner, within 60 days of receipt of an application submitted pursuant
to paragraph A, shall determine whether the applicant is a qualified applicant and shall
issue either a certificate of approval or a written denial indicating why the applicant is
not qualified. The certificate issued by the commissioner must describe the qualified
investment and specify the total amount of the qualified investment approved under the
certificate. The commissioner may not issue more than 3 certificates of approval to one
qualified applicant.

C. Upon issuance of a certificate of completion in accordance with this subsection, the
commissioner shall issue, on behalf of the State, a memorandum to the qualified
applicant describing the benefits provided by this section at the time the certificate of
completion is issued. The memorandum must provide that the certificate of completion
does not prohibit the commissioner from revoking a certificate in accordance with
paragraph E and does not prohibit the assessor from assessing and collecting an
overpaid benefit in accordance with the provisions of this Title.

D. A certified applicant shall obtain approval from the commissioner to transfer the
certificate of approval or, if the certified applicant has obtained a certificate of
completion, that certificate of completion to another person. A certificate of approval
or certificate of completion may be transferred only if all or substantially all of the
assets of the certified applicant are, or will be, transferred to that person or if 50% or
more of the certified applicant's voting stock is, or will be, acquired by that person. The
commissioner shall approve the transfer of the certificate of approval or the certificate
of completion only if at least one of the following conditions is satisfied:

(1) The transferee is a member of the applicant's unitary affiliated group at the time
of the transfer; or
(2) The commissioner finds that the transferee will, and has the capacity to, maintain operations of the offshore wind power project in a manner that meets the minimum qualifications for continued eligibility of benefits under this section after the transfer occurs.

If the commissioner approves the transfer of the certificate, the transferee, from the date of the transfer, must be treated as the certified applicant and as eligible to claim any remaining benefit under the certificate of approval or the certificate of completion that has not been previously claimed by the transferor as long as the transferee meets the same eligibility requirements and conditions for the credit as applied to the original certified applicant.

E. The commissioner shall revoke a certificate of approval if the certified applicant or a person to whom a certificate of approval has been transferred pursuant to paragraph D fails to make a qualified investment within 10 years of the date of the certificate of approval. The commissioner shall revoke a certificate of approval if the applicant failed to employ at least 500 full-time employees based in this State for a 12-month period within 5 years after the date issued. The commissioner shall revoke a certificate of approval or a certificate of completion if the applicant ceases operations of the offshore wind power project or the certificate of approval or certificate of completion is transferred to another person without approval from the commissioner pursuant to paragraph D. A certified applicant whose certificate of completion is revoked within 5 years after the date issued shall, within 60 days following revocation of the certificate, return to the State an amount equal to the total credits claimed under this section. A certified applicant whose certificate of completion is revoked during the period from 6 years after through 10 years after the date the certificate was issued shall, within 60 days following revocation of the certificate, return to the State an amount equal to the total credits claimed under this section for the period from 6 years after through 10 years after the date the certificate was issued.

F. Upon making the qualified investment and completing the offshore wind power project, a certified applicant shall submit an application to the commissioner for a certificate of completion. If the commissioner determines that a qualified investment has been made and the applicant's offshore wind generation facility is located outside Lobster Management Area 1, the commissioner shall issue a certificate of completion to the certified applicant as soon as is practical.

4. Tax credit allowed. A qualified applicant is allowed a nonrefundable credit as provided in this subsection. Beginning with the tax year during which the certificate of approval is issued or the tax year beginning in 2026, whichever is later, and for each of the following 19 tax years, a certified applicant who has been issued a certificate of completion is allowed a credit against the sales, income, use or other state tax due under this Title for the taxable year in an amount equal to 2% of the certified applicant's qualified investment. The credit may not exceed $15,000,000 annually.

5. Reporting required. A certified applicant and the commissioner are required to make reports pursuant to this subsection.

A. By April 1st of each year, the commissioner shall report to the joint standing committee of the Legislature having jurisdiction over taxation matters aggregate data on qualified investment amounts of certified applicants for each year and the State Tax
Assessor shall report to the committee the revenue loss during the previous calendar year as a result of this section for each taxpayer claiming the credit. Notwithstanding any provision of law to the contrary, the reports provided under this subsection are public records as defined in Title 1, section 402, subsection 3.

B. By April 1st of each year, a certified applicant shall report to the commissioner the number of full-time employees based in this State, the amount of state and local taxes paid and the total investment in the State. The commissioner shall make these reports available for public inspection on a publicly accessible website.

6. Evaluation. The credit provided under this section is subject to ongoing legislative review in accordance with Title 3, chapter 37. The Office of Program Evaluation and Government Accountability shall submit an evaluation of the credit provided under this section to the joint legislative committee established to oversee program evaluation and government accountability matters and the joint standing committee of the Legislature having jurisdiction over taxation matters. In developing evaluation parameters to perform the review, the office shall consider the public policy objectives in subsection 2.

Sec. 15. Appropriations and allocations. The following appropriations and allocations are made.

AGRICULTURE, CONSERVATION AND FORESTRY, DEPARTMENT OF
DACF Administration  0401
Initiative: Provides allocations for expenditures related to the centralized technology management costs related to one part-time Senior Planner position.

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<tr>
<th>OTHER SPECIAL REVENUE FUNDS</th>
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<th>2024-25</th>
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<tbody>
<tr>
<td>All Other</td>
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OTHER SPECIAL REVENUE FUNDS TOTAL

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GENERAL FUND TOTAL

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<tr>
<td>GENERAL FUND</td>
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Page 16 - 131LR0741(02)
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<tr>
<th>Department</th>
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<tr>
<td><strong>AGRICULTURE, CONSERVATION AND FORESTRY, DEPARTMENT OF</strong></td>
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<tr>
<td><strong>DEPARTMENT TOTALS</strong></td>
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<td>Business Development 0585</td>
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<tr>
<td>Initiative: Provides one-time funds to update the Salesforce platform to include a new tax incentive program.</td>
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<td>GENERAL FUND</td>
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<td><strong>EXECUTIVE DEPARTMENT</strong></td>
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<tr>
<td>Maine Offshore Wind Renewable Energy and Economic Development Program N471</td>
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<tr>
<td>Initiative: Provides allocation to establish the program.</td>
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<td><strong>OTHER SPECIAL REVENUE FUNDS</strong></td>
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<td><strong>DEPARTMENT TOTAL - ALL FUNDS</strong></td>
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<td>$500</td>
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<tr>
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<tr>
<td>Resource Management Services - Inland Fisheries and Wildlife 0534</td>
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Initiative: Provides funding for one Senior Resource Biologist position and associated All Other costs.

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INLAND FISHERIES AND WILDLIFE, DEPARTMENT OF

DEPARTMENT TOTALS

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<tr>
<td>DEPARTMENT TOTAL - ALL FUNDS</td>
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<td>$103,763</td>
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PUBLIC UTILITIES COMMISSION

Public Utilities - Administrative Division 0184

Initiative: Provides allocations for expenditures related to one Staff Attorney position and associated All Other costs.

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<tbody>
<tr>
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PUBLIC UTILITIES COMMISSION

DEPARTMENT TOTALS

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<td>DEPARTMENT TOTAL - ALL FUNDS</td>
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TREASURER OF STATE, OFFICE OF

Fishing Community Protection and Low-income Ratepayer Fund N469

Initiative: Establishes the Fishing Community Protection and Low-income Ratepayer Fund with a base allocation.

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<tr>
<td>All Other</td>
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<tr>
<td>OTHER SPECIAL REVENUE FUNDS TOTAL</td>
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<td>$500</td>
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</table>
Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

**SUMMARY**

This amendment replaces the bill. It does the following.

1. It establishes the Maine Offshore Wind Renewable Energy and Economic Development Program to be administered by the Governor's Energy Office in collaboration with the Public Utilities Commission.

2. It updates the State's wind energy generation goals.

3. It directs the Governor's Energy Office to establish a schedule for competitive solicitations and prepare requests for proposals for the development and construction of floating extraterritorial wind projects to meet the goals of the Maine Offshore Wind Renewable Energy and Economic Development Program. The Public Utilities Commission must review the request for proposals and, upon finding that the request for proposals is reasonably likely to attract competitive bids, issue the request for proposals. The commission must issue the first request for proposals no later than January 15, 2026, and each solicitation must seek proposals for not less than approximately 600 megawatts of nameplate capacity or projects of sufficient size to enable cost-competitive commercial scale development of floating extraterritorial wind projects. A solicitation developed in coordination with other states or entities may seek proposals for projects with a nameplate capacity of less than 600 megawatts if the coordinated solicitation is in an aggregate amount sufficient to enable cost-competitive commercial-scale development.

4. It provides that, in conducting a solicitation and selecting floating extraterritorial wind projects for contracts, the commission is required to select projects that result in contracts that are cost-effective to electric ratepayers over the term of the contract and must give greater priority to projects that are eligible and intend to apply for grants from the Fishing Community Protection and Low-income Ratepayer Fund, established in the amendment. The commission must give secondary priority to projects that provide certain identified benefits. The solicitation must specify bidder criteria, including the submission of plans addressing stakeholder engagement; economic and community benefits; diversity,
equity and inclusion in employment and contracting for the project; fisheries research, monitoring and mitigation; and environmental and wildlife research. The criteria must also require the submission of a fishing communities investment plan, payment of an amount equal to $10,000 per megawatt of capacity to the Offshore Wind Research Consortium Fund and financial and technical assistance necessary to implement the required plans. A solicitation must be made available for public comment prior to issuance.

5. It provides that an application for a submerged lands lease or easement in connection with an offshore wind power project selected for a contract must be charged an annual operating fee based on the electricity generated using a certain federal formula. It also requires the applicant to demonstrate that it has fully executed or will execute a labor peace agreement with a bona fide labor organization that actively represents or seeks to represent employees working for and providing services in connection with the offshore wind power project.

6. It provides that when the Shore and Harbor Management Fund expends money for the purpose of constructing improvements in connection with an offshore wind power project selected for a contract, the grant of any such funds must be conditioned upon the recipient's agreement to conform to the requirements applicable to assisted projects under the Maine Revised Statutes, Title 26, chapter 15. It also amends Title 26, chapter 15 to clarify that such projects are considered assisted projects for purposes of that chapter.

7. It authorizes the commission to conduct one or more competitive solicitations for proposals for the development and construction of offshore wind energy transmission projects or other electric infrastructure projects to facilitate offshore wind energy development.

8. It establishes the Fishing Communities Protection and Low-income Ratepayer Fund within the Office of the Treasurer of State to be funded by submerged lands operating fee payments, any funds appropriated from the General Fund and funds from other sources.

9. It adds members to the Offshore Wind Research Consortium advisory board and updates the funding source for the Offshore Wind Research Consortium Fund to include payments from extraterritorial wind projects.

10. It creates the fishing community protection tax incentive, which allows an applicant that has been issued a certificate of completion to receive a credit against sales, income, use or other state tax due an amount equal to 2% of the certified applicant's qualified investment in offshore wind power projects, not to exceed $15 million annually.

FISCAL NOTE REQUIRED
(See attached)