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**ENERGY, UTILITIES AND TECHNOLOGY**

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**STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
129TH LEGISLATURE  
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to H.P. 14, L.D. 13, Bill, “An Act To Allow Microgrids That Are in the Public Interest”

Amend the bill by striking out all of section 2 and inserting the following:

**'Sec. 2. 35-A MRSA c. 33-A** is enacted to read:

**CHAPTER 33-A**

**MICROGRIDS**

**§3351. Microgrids**

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

A. "Distributed energy resources" means small-scale electrical generation sources located close to where the generated electricity is used, energy storage resources, energy efficiency resources or demand response resources.

B. "New microgrid" means a group of interconnected loads and distributed energy resources within clearly defined electrical boundaries that acts as a single controllable entity with respect to the electric grid and can connect and disconnect from the electric grid to enable the new microgrid to operate in both electric grid-connected mode and nongrid-connected mode, referred to in this chapter as "island mode," and that is constructed after October 1, 2020.

**2. Microgrids, public utility exception.** Notwithstanding section 2102 or any other provision of this Title to the contrary, a person that constructs, maintains or operates a new microgrid approved under subsection 3 does not, solely as a result of furnishing service through that new microgrid to participating consumers, become a public utility and is not subject to regulation as a public utility under this Title.

**3. Commission approval; requirements.** A person may not construct or operate a new microgrid without commission approval in accordance with this subsection.

1 A. The commission shall approve a petition to construct and operate a new microgrid  
2 if the commission finds that operation of the new microgrid is in the public interest  
3 and the new microgrid meets at least the following requirements:

4 (1) The proposed new microgrid will serve a total load of no more than 25  
5 megawatts;

6 (2) The proposed new microgrid is located in the service territory of a  
7 transmission and distribution utility with more than 50,000 customers;

8 (3) The distributed energy resources for the new microgrid meet the applicable  
9 portfolio requirements in section 3210, subsections 3, 3-A, 3-B and 3-C;

10 (4) The person proposing the new microgrid demonstrates that the person has  
11 secured the financial capacity to operate the proposed new microgrid;

12 (5) The person proposing the new microgrid demonstrates that the person has  
13 secured the technical capability to operate the proposed new microgrid;

14 (6) There is a contractual relationship between the proposed new microgrid  
15 operator and consumers within the area to be served by the proposed new  
16 microgrid; and

17 (7) The proposed new microgrid will not negatively affect the reliability and  
18 security of the electric grid.

19 For the purposes of this paragraph, when determining whether a proposed new  
20 microgrid is in the public interest, the commission shall consider possible ratepayer  
21 effects, whether positive or negative; benefits due to the increased resilience or  
22 reliability of the electric grid; economic development benefits; and any other factors  
23 the commission considers necessary to promote the public interest.

24 B. As a condition of approval of a new microgrid, the commission shall:

25 (1) Require that any increase in costs to the electric transmission and distribution  
26 system in the State as a result of the new microgrid must be fully recovered from  
27 the microgrid owner and customers of the microgrid and not passed on to other  
28 electric ratepayers; and

29 (2) Impose any other terms, conditions or requirements on the construction,  
30 maintenance or operation of the new microgrid as, in its judgment, it considers  
31 necessary, which may include but are not limited to parameters regarding the  
32 ability of the new microgrid to enter island mode, as defined by the commission  
33 by rule, and the operation of the new microgrid in grid-connected mode and  
34 island mode.

35 4. Commission oversight; grid protections; consumer protections. A new  
36 microgrid approved in accordance with subsection 3 is subject to commission oversight to  
37 ensure reliability and security of the electric grid and consumer protections for customers  
38 of the new microgrid.

39 5. Services. Services provided by a new microgrid may include, but are not limited  
40 to:



COMMITTEE AMENDMENT “ ” to H.P. 14, L.D. 13

1 distribution utility or a competitive electricity provider established by the Public Utilities  
2 Commission in related cases.

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**FISCAL NOTE REQUIRED**

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**(See attached)**