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Date: (Filing No. S- )

**ENERGY, UTILITIES AND TECHNOLOGY**

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

**STATE OF MAINE  
SENATE  
132ND LEGISLATURE  
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to S.P. 49, L.D. 32, “An Act to Repeal the Laws Regarding Net Energy Billing”

Amend the bill by striking out the title and substituting the following:

**'An Act to Reverse Recent Modifications Made to the Law Governing Net Energy Billing and Distributed Generation'**

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

**'Sec. 1. 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. 2. 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. 3. 35-A MRSA §3145, first ¶**, as amended by PL 2025, c. 105, §1, is further amended to read:

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 15, 2027, and every 2 years thereafter, when updating the state energy plan in accordance with ~~Title 2, section 9, subsection 3, paragraph C, the Governor's Energy Office established in Title 2, section 9~~ section 10305, subsection 1, the Department of Energy Resources shall reevaluate and may increase the state goal for energy storage system

**COMMITTEE AMENDMENT**

1 development and shall, in the state energy plan, report any increase to the goal to the joint  
2 standing committee of the Legislature having jurisdiction over energy and utilities matters.  
3 For the purposes of this section, "energy storage system" has the same meaning as in section  
4 3481, subsection 6.

5 **Sec. 4. 35-A MRSA §3209-A**, as amended by PL 2025, c. 50, §1; c. 430, §§1 to 3;  
6 and c. 575, §4, is repealed and the following enacted in its place:

7 **§3209-A. Net energy billing**

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

16 **Sec. 5. 35-A MRSA §3209-B**, as amended by PL 2025, c. 430, §§4 to 6, is repealed.

17 **Sec. 6. 35-A MRSA §3209-C, sub-§1**, as corrected by RR 2023, c. 2, Pt. A, §55,  
18 is amended to read:

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

21 A. "Benefits of distributed generation under net energy billing" means all benefits  
22 determined by the commission to be reasonably attributable to distributed generation  
23 projects under ~~sections section~~ section 3209-A and ~~3209-B~~, including but not limited to:

24 (1) Avoided energy and capacity costs. In determining avoided energy and  
25 capacity costs, the commission shall use reasonable estimates of energy and  
26 capacity market prices and account for transmission and distribution line losses.  
27 The commission may determine different avoided costs for different time periods,  
28 including, but not limited to, peak and off-peak periods and summer and winter  
29 periods;

30 (2) Avoided transmission and distribution costs. In determining avoided  
31 transmission and distribution costs, the commission shall use estimates of the  
32 marginal transmission and distribution costs and may determine different avoided  
33 costs for different time periods;

34 (3) Avoided fossil fuel costs. The commission shall determine avoided fossil fuel  
35 costs based on estimated reductions in oil, gas or other fossil fuel use and estimated  
36 market prices for these fuels;

37 (4) Avoided transmission and distribution line losses;

38 (5) Demand reduction induced price effects;

39 (6) Transmission and distribution plant extensions or upgrades funded by net  
40 energy billing customers; and

41 (7) Any other benefits identified by the commission.

1 B. "Net energy billing" means net energy billing arrangements under section 3209-A  
2 ~~or 3209-B.~~

3 C. "Net energy billing costs" means all legitimate and verifiable costs incurred by a  
4 transmission and distribution utility directly attributable to net energy billing. "Net  
5 energy billing costs" does not include any costs incurred by a ~~project sponsor as defined~~  
6 ~~in section 3209-A, subsection 1, paragraph D,~~ a net energy billing customer or any  
7 other entity, as determined by the commission by rule.

8 **Sec. 7. 35-A MRSA §3209-E**, as amended by PL 2025, c. 430, §8, is repealed.

9 **Sec. 8. 35-A MRSA §3209-F**, as enacted by PL 2025, c. 430, §9 and c. 532, §1, is  
10 repealed.

11 **Sec. 9. 35-A MRSA §3209-G**, as enacted by PL 2025, c. 430, §10, is repealed.

12 **Sec. 10. 35-A MRSA §3209-H**, as enacted by PL 2025, c. 430, §11, is repealed.

13 **Sec. 11. 35-A MRSA §3209-I**, as enacted by PL 2025, c. 430, §12, is repealed.

14 **Sec. 12. 35-A MRSA §3210-G, sub-§1, ¶D**, as enacted by PL 2019, c. 477, §2, is  
15 amended by repealing the first blocked paragraph.

16 **Sec. 13. 35-A MRSA §3210-G, sub-§3**, as amended by PL 2025, c. 430, §13, is  
17 further amended to read:

18 **3. Report.** No later than March 31, 2023 and biennially thereafter, the commission  
19 shall submit a report regarding the status of contracts for Class IA resources under this  
20 section and the status of contracts for energy or renewable energy credits from distributed  
21 generation resources under former section 3209-H to the joint standing committee of the  
22 Legislature having jurisdiction over utilities and energy matters. The report must include,  
23 but is not limited to, a description of Class IA resources participating in competitive  
24 solicitations, information about the resources selected for contracts and the selection  
25 process, the benefits and costs of the contracts and recommendations about how to further  
26 stimulate investment in Class IA resources or achieve ratepayer benefits from Class IA  
27 resources. The report may include information about benefits and costs of the contracts to  
28 the State's economy, environmental quality or electricity consumers over both the short and  
29 long terms. Any analysis of the benefits or costs of the contracts must be based on a forecast  
30 of all avoided costs resulting from the contracts that is transparent and balanced over the  
31 long term.

32 **Sec. 14. 35-A MRSA §3210-I, sub-§3, ¶A**, as amended by PL 2023, c. 660, §8,  
33 is further amended to read:

34 A. The proposals must be required to cover a contract term of 20 years, except that the  
35 commission may, in its discretion, approve a contract term of a different duration, and  
36 must include provisions for the construction, development and subsequent commercial  
37 operation of one or more qualified renewable energy generation projects in northern  
38 Maine that will be designed to connect to and transmit generated power using the  
39 transmission line or lines to be constructed pursuant to subsection 2. The commission  
40 may consider only proposals for the construction of Class I and Class IA resources, as  
41 defined in section 3210, subsection 2, and energy storage systems, except that the  
42 commission may not consider proposals for the construction of biomass generators

1 fueled by landfill gas or by anaerobic digestion of agricultural products, by-products  
2 or waste, or waste-to-energy generation facilities fueled by municipal solid waste. ~~For~~  
3 ~~the purposes of this section, "energy storage system" means a commercially available~~  
4 ~~technology that uses mechanical, chemical or thermal processes for absorbing energy~~  
5 ~~and storing it for a period of time for use at a later time.~~

6 **Sec. 15. 35-A MRSA §3210-J, sub-§1, ¶D**, as enacted by PL 2023, c. 321, §3, is  
7 repealed.

8 **Sec. 16. 35-A MRSA §3214, sub-§2, ¶C**, as enacted by PL 2023, c. 230, §2, is  
9 amended to read:

10 C. Receive funds remitted by transmission and distribution utilities with net energy  
11 billing arrangements for expired kilowatt-hour credits in accordance with ~~section~~  
12 ~~3209-A, subsection 8~~ rules adopted by the commission pursuant to section 3209-A.

13 **Sec. 17. 35-A MRSA §3401-A, sub-§13**, as enacted by PL 2023, c. 481, §2, is  
14 repealed and the following enacted in its place:

15 **13. Nameplate capacity.** "Nameplate capacity" means the installed or rated capacity  
16 of a power generator.

17 **Sec. 18. 35-A MRSA §3474, sub-§3**, as amended by PL 2023, c. 307, §5, is further  
18 amended to read:

19 **3. Interconnection rules.** The commission shall adopt rules related to the  
20 interconnection of renewable capacity resources, as defined in section 3210-C, subsection  
21 1, paragraph E, using solar power, referred to in this subsection as "solar resources," and  
22 energy storage systems, ~~as defined in section 3481, subsection 6~~, whether or not colocated  
23 with solar resources, to investor-owned transmission and distribution utilities, as defined  
24 in section 3201, subsection 11-A, in a manner that supports the goals in this section and  
25 ensures:

26 A. The State's interconnection rules reflect nationally recognized best practices, which  
27 may include, but are not limited to, those established by the Interstate Renewable  
28 Energy Council, or successor organization, and prioritize interconnection of solar  
29 resources and energy storage systems owned by customers of investor-owned  
30 transmission and distribution utilities and used to serve an on-site load;

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

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

37 Rules adopted under this subsection are routine technical rules as defined in Title 5, chapter  
38 375, subchapter 2-A.

39 **Sec. 19. 35-A MRSA c. 34-C**, as amended, is repealed.

40 **Sec. 20. 35-A MRSA §3623, sub-§3, ¶C**, as enacted by PL 2021, c. 604, §3, is  
41 amended to read:

1 C. Satisfy the limits on net generating capacity established in subsection 2, paragraph  
2 A; and

3 **Sec. 21. 35-A MRSA §3623, sub-§3, ¶D**, as amended by PL 2023, c. 353, §5, is  
4 further amended to read:

5 D. Be highly efficient, as determined by the commission on a technology-specific  
6 basis; and.

7 **Sec. 22. 35-A MRSA §3623, sub-§3, ¶E**, as enacted by PL 2021, c. 604, §3, is  
8 repealed.

9 **Sec. 23. 35-A MRSA §10102, sub-§5-A**, as enacted by PL 2021, c. 298, §2, is  
10 repealed.

11 **Sec. 24. 35-A MRSA §10202, sub-§7, ¶B**, as enacted by PL 2021, c. 142, §1, is  
12 amended to read:

13 B. Involve a renewable energy installation, an energy storage system as defined in  
14 ~~section 3481, subsection 6~~, an electric thermal storage system, electric vehicle supply  
15 equipment or heating equipment that meets or exceeds standards established or  
16 approved by the trust. Heating equipment that is not a renewable energy installation  
17 must be heating equipment that produces the lowest carbon emissions of any heating  
18 equipment reasonably available to the property owner, as determined by the trust, and  
19 must meet the requirements of section 10204, subsection 1, paragraph B.

20 **Sec. 25. 35-A MRSA §10311, sub-§1, ¶C**, as enacted by PL 2025, c. 476, Pt. A,  
21 §16, is repealed.

22 **Sec. 26. 36 MRSA §655, sub-§1, ¶U**, as amended by PL 2023, c. 682, §2, is further  
23 amended by amending the 2nd blocked paragraph to read:

24 This paragraph applies to solar energy equipment for property tax years beginning  
25 before April 1, 2025; and

26 **Sec. 27. 36 MRSA §655, sub-§1, ¶V**, as enacted by PL 2023, c. 682, §3, is  
27 amended to read:

28 V. For the property tax years beginning on ~~or after~~ April 1, 2025 and April 1, 2026,  
29 solar energy equipment that generates heat or electricity if:

- 30 (1) All of the energy is used on the site where the property is located;
- 31 (2) The equipment is collocated with a net energy billing customer that is or net  
32 energy billing customers that are subscribed to at least 50% of the facility's output;  
33 or
- 34 (3) All of the energy is transmitted through the facilities of a transmission and  
35 distribution utility and a utility customer or customers receive a utility bill credit  
36 for the energy generated by the equipment pursuant to Title 35-A, section 3209-A  
37 or former section 3209-B and the generator of electricity entered into a fully  
38 executed interconnection agreement with a transmission and distribution utility  
39 prior to June 1, 2024.

40 On or before April 1st of the first property tax year for which a taxpayer claims an  
41 exemption under this paragraph, the taxpayer claiming the exemption shall file a report

1 with the assessor. The report must identify the property for which the exemption is  
2 claimed and must be made on a form prescribed by the State Tax Assessor or a  
3 substitute form approved by the State Tax Assessor. The State Tax Assessor shall  
4 furnish copies of the form to each municipality in the State and make the forms  
5 available to taxpayers; and

6 **Sec. 28. 36 MRSA §655, sub-§1, ¶W** is enacted to read:

7 W. For property tax years beginning on or after April 1, 2027, solar energy equipment  
8 that generates heat or electricity if:

9 (1) All of the energy is used on the site where the property is located;

10 (2) The equipment is collocated with a net energy billing customer that is or net  
11 energy billing customers that are subscribed to at least 50% of the facility's output;  
12 or

13 (3) All of the energy is transmitted through the facilities of a transmission and  
14 distribution utility and a utility customer or customers receive a utility bill credit  
15 for the energy generated by the equipment pursuant to rules adopted in accordance  
16 with Title 35-A, section 3209-A and the generator of electricity entered into a fully  
17 executed interconnection agreement with a transmission and distribution utility  
18 prior to June 1, 2024.

19 On or before April 1st of the first property tax year for which a taxpayer claims an  
20 exemption under this paragraph, the taxpayer claiming the exemption shall file a report  
21 with the assessor. The report must identify the property for which the exemption is  
22 claimed and must be made on a form prescribed by the State Tax Assessor or a  
23 substitute form approved by the State Tax Assessor. The State Tax Assessor shall  
24 furnish copies of the form to each municipality in the State and make the forms  
25 available to taxpayers.

26 **Sec. 29. 36 MRSA §656, sub-§1, ¶L**, as enacted by PL 2023, c. 682, §5, is  
27 amended to read:

28 L. For the property tax years beginning on ~~or after~~ April 1, 2025 and April 1, 2026,  
29 solar energy equipment that generates heat or electricity if:

30 (1) All of the energy is used on the site where the property is located;

31 (2) The equipment is collocated with a net energy billing customer that is or net  
32 energy billing customers that are subscribed to at least 50% of the facility's output;  
33 or

34 (3) All of the energy is transmitted through the facilities of a transmission and  
35 distribution utility and a utility customer or customers receive a utility bill credit  
36 for the energy generated by the equipment pursuant to Title 35-A, section 3209-A  
37 or ~~former section~~ 3209-B and the generator of electricity entered into a fully  
38 executed interconnection agreement with a transmission and distribution utility  
39 prior to June 1, 2024.

40 On or before April 1st of the first property tax year for which a taxpayer claims an  
41 exemption under this paragraph, the taxpayer claiming the exemption shall file a report  
42 with the assessor. The report must identify the property for which the exemption is  
43 claimed and must be made on a form prescribed by the State Tax Assessor or a

1 substitute form approved by the State Tax Assessor. The State Tax Assessor shall  
2 furnish copies of the form to each municipality in the State and make the forms  
3 available to taxpayers.

4 **Sec. 30. 36 MRSA §656, sub-§1, ¶M** is enacted to read:

5 M. For property tax years beginning on or after April 1, 2027, solar energy equipment  
6 that generates heat or electricity if:

7 (1) All of the energy is used on the site where the property is located;

8 (2) The equipment is collocated with a net energy billing customer that is or net  
9 energy billing customers that are subscribed to at least 50% of the facility's output;  
10 or

11 (3) All of the energy is transmitted through the facilities of a transmission and  
12 distribution utility and a utility customer or customers receive a utility bill credit  
13 for the energy generated by the equipment pursuant to rules adopted in accordance  
14 with Title 35-A, section 3209-A and the generator of electricity entered into a fully  
15 executed interconnection agreement with a transmission and distribution utility  
16 prior to June 1, 2024.

17 On or before April 1st of the first property tax year for which a taxpayer claims an  
18 exemption under this paragraph, the taxpayer claiming the exemption shall file a report  
19 with the assessor. The report must identify the property for which the exemption is  
20 claimed and must be made on a form prescribed by the State Tax Assessor or a  
21 substitute form approved by the State Tax Assessor. The State Tax Assessor shall  
22 furnish copies of the form to each municipality in the State and make the forms  
23 available to taxpayers.

24 **Sec. 31. Public Utilities Commission to amend rules regarding net energy**  
25 **billing.** Within 60 days of the effective date of this Act, the Public Utilities Commission  
26 shall initiate rulemaking pursuant to the Maine Revised Statutes, Title 35-A, section  
27 3209-A to amend its rule Chapter 313: Customer Net Energy Billing to be substantively  
28 equivalent to the rule in effect on March 29, 2017.'

29 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section  
30 number to read consecutively.

31 **SUMMARY**

32 This amendment replaces the bill and changes the title. It repeals the provisions of law  
33 enacted by Public Law 2019, chapter 478 related to net energy billing and distributed  
34 generation. The amendment repeals or amends provisions of law in the Maine Revised  
35 Statutes, Title 35-A that rely on provisions that were enacted by Public Law 2019, chapter  
36 478 and are repealed by this amendment. The amendment also repeals certain provisions  
37 of law related to net energy billing that were enacted after Public Law 2019, chapter 478  
38 and repeals the section of law directing the Governor's Energy Office to design a front of  
39 the meter distributed energy resources program. It directs the Public Utilities Commission  
40 to initiate rulemaking to amend its rule regarding net energy billing to be substantially  
41 similar to that in effect on March 29, 2017. For tax years beginning on or after April 1,  
42 2027, the amendment also limits tax exemptions for solar energy equipment applicable to

1 customers receiving a utility bill credit for energy generated by the equipment pursuant to  
2 a provision of the Maine Revised Statutes that was repealed by this amendment.

3

**FISCAL NOTE REQUIRED**

4

**(See attached)**