

**Bill Summary**

This bill is reported out by the Joint Standing Committee on Energy, Utilities and Technology pursuant to Resolve 2015, chapter 37, section 2. The resolve directed the Public Utilities Commission to convene a stakeholder group to develop an alternative to net energy billing. This bill reflects the consensus developed in that process and subsequent negotiations between stakeholders, and establishes a comprehensive framework to support distributed generation in Maine.

The committee has not taken a position on the substance of this bill and by reporting this bill out the committee is not suggesting and does not intend to suggest that it agrees or disagrees with any aspect of this bill. The committee is reporting the bill out for the sole purpose of turning the proposal into a printed bill that can be referred to the committee for an appropriate public hearing and subsequent processing in the normal course. The committee is taking this action to ensure clarity and transparency in the legislative review of this proposal.

**Contents**

35-A M.R.S. § 3473 (amendment) ..... 2

35-A M.R.S. § 3475 Solar procurement targets. .... 4

35-A M.R.S. § 3476 Standard buyer. .... 5

35-A M.R.S. § 3477 Grid scale solar market segment..... 7

35-A M.R.S. § 3478 Large scale community solar procurement..... 9

35-A M.R.S. § 3479 Commercial and Industrial Solar Market Segment ..... 14

35-A M.R.S. § 3480 Residential and small business market segment..... 16

35-A M.R.S. § 3481 Bill credits..... 21

[35-A M.R.S. § 3210-F \(amendment\)](#)..... 22

35-A M.R.S. § 3212-A (amendment)..... 24

**35-A M.R.S. § 3473 is amended as follows:**

**3. Solar procurements.** The commission shall procure distributed solar generation in the grid scale, large scale community solar, commercial and industrial, and residential and small business markets segments to achieve the targets in section 3475 using the procurement methods described in this chapter.

**4. Participation in wholesale markets.** The commission and investor-owned transmission and distribution utilities shall take all reasonable steps to promote the participation of distributed generation resources in the region's wholesale electricity, capacity and ancillary service markets.

**5. Definitions.** For purposes of this chapter:

“Distributed generation resource,” shall mean an electric generating facility that uses a renewable fuel or technology as specified in 35-A M.R.S.A. § 3210(2)(C) or is a micro-combined heat and power system located in the service territory of a transmission and distribution utility.

“Output” shall mean energy, capacity, renewable energy certificates, and all other environmental attributes and market products that are available or may become available from the distributed generation resource.

All references to kW or MW in this chapter shall be measured in direct current (DC).

**6. Siting of solar distributed generation resources.** By January 1, 2019 the commission shall report to the joint standing committees of the Legislature having jurisdiction over utility matters and natural resources the number of new distributed generation resources procured pursuant to sections 3477, 3478 and 3479 that have been built on pre-existing impervious surfaces or brownfields where future development is impacted by the presence or potential presence of a hazardous substance. In cooperation with the

Department of Environmental Protection, the commission shall identify measures to encourage siting of distributed generation resources at such locations.

**7. Change in tax treatment.** If a change in federal tax laws, rules, or policy materially modifies the burdens or costs to customers or utilities associated with the procurements under this chapter, the commission shall issue a report to the joint standing committee having jurisdiction over utility matters describing the impact of these changes and recommending any actions necessary to maintain the benefits of this program.

**35-A M.R.S. § 3475          Solar procurement targets.**

1. **Large scale community solar.** The procurement target for the large scale community solar market segment is forty-five megawatts by January 1, 2022.
2. **Grid scale.** The procurement target for the grid scale solar market segment is sixty megawatts by January 1, 2022.
3. **Commercial and industrial.** The procurement target for the commercial & industrial solar market segment is twenty-five megawatts by January 1, 2022.
4. **Residential and small business.** The solar procurement targets for the residential and small business market segment are:

Seven megawatts by January 1, 2018;

Twenty-one megawatts by January 1, 2019;

Forty-five megawatts by January 1, 2020;

Seventy megawatts by January 1, 2021;

One hundred eighteen megawatts by January 1, 2022.

**35-A M.R.S. § 3476 Standard buyer.****1. Obligations of the standard buyer.**

The purpose of the standard buyer is to aggregate the output of the portfolio of distributed generation resources procured pursuant to this chapter and sell or use the output of these resources in a manner that maximizes the value of this portfolio of resources to all ratepayers. The standard buyer shall:

- a) Serve as counterparty to and enforce long term contracts with project sponsors and customers for each market segment under this chapter;
- b) Reimburse investor-owned transmission and distribution utilities for any bill credit or payment to a customer, subscriber or project sponsor pursuant to sections 3478, 3479, or 3480;
- c) Establish reasonable metering and measurement and verification requirements for distributed generation resources;
- d) Provide information needed to allocate costs and benefits pursuant to section 3;
- e) Provide aggregate data regarding the output of distributed generation resources to the commission; and
- f) Make renewable energy credits available for sale to the provider of the green power offer pursuant to section 3212-A.

The commission shall ensure that the rules and procedures established under this chapter provide opportunities for entities other than the standard buyer to aggregate and sell the output of distributed generation resources in the applicable markets.

**2. Designation of standard buyer**

Each investor-owned transmission and distribution utility shall serve as the standard buyer in its service territory, provided that the commission may designate another entity to serve as standard buyer if it determines that it is in the best interest of ratepayers. The standard buyer shall be subject to the jurisdiction of the commission.

### **3. Standard buyer cost allocation**

The commission and the standard buyers shall implement a transparent mechanism to track, and recover or distribute the net costs or revenue from procuring distributed generation resources pursuant to this chapter. These net costs or benefits shall be reviewed by the commission and allocated to customers and recovered as set forth in section 3210-C(8). Eligible costs and benefits shall include:

- 1) Incremental costs of serving as the standard buyer;
- 2) All payments to customers, subscribers and project sponsors under each procurement mechanism;
- 3) Any costs of providing RECs to participating customers pursuant to section 3480(8); and
- 4) All revenue from sale of the output of distributed generation resources procured pursuant to this chapter.

**4. Rules.** The commission shall adopt rules to implement this section by January 1, 2017. Rules adopted under this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

**35-A M.R.S. § 3477 Grid Scale Solar Market Segment**

**1. Procurement.** The commission shall conduct a competitive solicitation no less than once per year for long term contracts for the output of grid scale solar distributed generation resources with a nameplate capacity of up to 5 MW. In each calendar year, the commission shall seek to procure approximately 20% of the capacity needed to meet the procurement target in section 3475(2), provided that the commission may modify this annual allocation if it concludes that doing so would be in the best interests of all customers. Prior to a solicitation the commission shall develop, in consultation with the standard buyer, a standard contract that commits all parties to commercially reasonable behavior, and includes provisions to ensure that projects proceed to commercial operation on a reasonable timeline.

**2. Bidder eligibility.** The commission may establish minimum requirements for bidders including but not limited to site control, development experience, completion of an interconnection application, and system details for potential bidders, and require bidders to pay an application fee to defray administrative costs.

**3. Ensuring competition.** Prior to each solicitation, the commission shall establish standards to ensure that each auction has a sufficient number of unique bidders and quantity of offered capacity to be deemed competitive. If the commission concludes based on these standards that an auction is not competitive, no bidders shall be selected and the available capacity deferred to a subsequent solicitation.

**4. Bid Selection.** Following review of bids, if the commission determines that the auction is competitive, the commission shall select one or more winning bidders, and direct the standard buyer to negotiate and enter into a contract with the winning bidders for a term of 20 years at a specified contract rate. The commission shall select bids that maximize the benefits or minimize costs to all ratepayers.

**5. Rules.** The commission shall adopt rules to implement this section by January 1, 2017. Rules adopted under this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

**35-A M.R.S. § 3478 Large Scale Community Solar Procurement****1. Definitions**

“Large scale community solar resource” means a solar distributed generation resource with a nameplate capacity of up to 5 MW that is selected in a procurement in accordance with this section, where the beneficial use of the output of the resources belongs to the subscribers.

"Subscriber" means a retail customer of a transmission and distribution utility who owns a subscription and who has identified an account to which the subscription is attributed.

"Subscription" means a proportional interest in a large scale community solar resource. Each subscription shall be sized to represent at least one kilowatt of the resource's generating capacity.

“Project sponsor” means any entity, its successor or assignee selected by the commission under subsection (5), that owns or operates one or more large scale community solar resources on behalf of subscribers.

“Credit rate” means the per kilowatt hour rate used to calculate the monetary value of a subscriber's share of the output of the large scale community solar facility. The credit is equal to the per kilowatt hour rate in the long term contracts entered into between the standard buyer and the project sponsor pursuant to this section, and shall be the same for all subscribers of a particular large scale community solar resource.

**2. Procurement.** The commission shall conduct competitive solicitations for long term contracts for the output of large scale community solar generation resources.

Solicitations shall be conducted twice per year or less frequently at the discretion of the commission, but no less than once per year. In each calendar year, the commission shall seek to procure approximately 20% of the capacity needed to meet the procurement target in section 3475(1), provided that the commission may modify this annual allocation if it

concludes that doing so would be in the best interests of all customers. Prior to a solicitation, the commission shall develop, in consultation with the standard buyer, a standard contract that commits all parties to commercially reasonable behavior, and includes provisions to ensure that projects proceed to commercial operation on a reasonable timeline.

**3. Bidder eligibility.** The commission may establish minimum requirements for bidders including but not limited to site control, development experience, completion of an interconnection application, and provision of system details. The commission may require bidders to pay an application fee to defray administrative costs.

**4. Ensuring competition.** Prior to each solicitation, the commission shall establish standards to ensure that each auction has a sufficient number of unique bidders and quantity of offered capacity to be deemed competitive. If the commission concludes based on these standards that an auction is not competitive, no bidders shall be selected and the capacity available in that solicitation deferred to a subsequent solicitation. The commission may adjust the maximum project size eligible for a solicitation to ensure that there will be more than one bid selected.

**5. Bid Selection.** Following review of bids, if the commission determines that the auction is competitive, the commission shall select one or more winning bidders, and direct the standard buyer to negotiate and enter into a contract with the winning bidders for a term of 20 years at a specified contract rate. The commission shall select bids that maximize the benefits or minimize costs to all ratepayers.

**6. Payment and minimum subscription.** The project sponsor and subscribers shall receive the contract rate for the output of the large scale community solar resource, provided that after one year of commercial operation, any unsubscribed share of the project shall be paid at the wholesale electricity rate. If less than 50% of a resource's subscriptions are 25 kW or less, any amount less than 50% from subscriptions of this size shall be deemed unsubscribed. The project sponsor shall compensate the standard buyer

in an amount equal to the difference between the contract price and the wholesale electricity rate for the output of any share deemed unsubscribed under this subsection.

**7. Determination of subscriber bill credit.** The bill credit to be allocated to each subscriber to a particular large scale community solar resource shall be based on each subscriber's percentage interest of the total production of the large scale community solar resource for the previous month. Each billing month, the value of the credits allocated to each subscriber shall be calculated by multiplying the quantity of kilowatt hours equal to each subscriber's share by the resource's credit rate. The project sponsor shall be responsible for providing to the transmission and distribution utility, on a monthly basis and within reasonable periods set by that utility, the information required to calculate the bill credit to be provided to each subscriber.

Payments to subscribers shall be credited against the subscriber's monthly electricity bill in accordance with section 3481.

The monthly output available for allocation as subscribed or unsubscribed energy shall be determined by a revenue quality production meter installed and paid for by the project sponsor.

**8. Exemption.** A project sponsor or subscriber shall not be considered a public utility or competitive electricity supplier solely as a result of their interest or participation in a large scale community solar resource.

**9. Renewable energy credits.** The commission shall develop a standard disclosure to be provided to all participating customers prior to entering into a contract under this section that describes the effect of selling the renewable attributes of exported electricity to the standard buyer, and explains how a customer may participate in the voluntary renewable energy credit market.

**10. Consumer protection.** The commission shall establish by rule consumer protection standards to protect subscribers from fraud and other unfair and deceptive business

practices. The commission may impose administrative penalties upon a project sponsor in accordance with chapter 15, and may order restitution for any party injured by a violation for which a penalty may be assessed pursuant to this section.

The commission through its own counsel or through the Attorney General may apply to the Superior Court of any county of the State to enforce any lawful order made or action taken by the commission pursuant to this section. The court may issue such orders, preliminary or final, as it considers proper under the facts established before it.

**11. Disclosures.** A project sponsor selling or reselling a subscription in a large scale community solar facility shall provide a disclosure to potential subscribers that include the following, prior to the sale or resale of that subscription:

- (1) A good faith estimate of the annual kilowatt hours to be delivered by the community renewable energy facility based on the size of the subscriber's interest;
- (2) A plain language explanation of the terms under which the bill credits will be calculated;
- (3) A plain language explanation of the contract provisions regulating the disposition or transfer of the subscription; and
- (4) A plain language explanation of the costs and benefits to the potential subscriber based on the subscriber's current usage and applicable tariff, for the term of the proposed contract.

The commission may establish a standard disclosure to be provided to potential subscribers by a project sponsor to disclose this information or such other information as the commission may deem necessary to protect the interests of potential subscribers.

**12. Transfer of subscriptions.** A subscriber may transfer or assign a subscription to the associated project sponsor or to any person or entity who qualifies to be a subscriber in the large scale community solar resource. A project sponsor must provide a process for

assignment or transfer of a subscription. A project sponsor may not impose fees on a subscriber who moves to a different location within the same utility service territory.

**13. Utility participation in community solar.** Transmission and distribution utilities may collaborate with project sponsors in a non-discriminatory manner to increase customer participation in large scale community solar projects. Collaboration with project sponsors may include, but is not limited to:

- a. customer education;
- b. lease of utility-owned land on a competitive basis;
- c. project co-branding;
- d. assistance with customer outreach and acquisition; and
- e. program administration.

Transmission and distribution utilities may propose fees for services provided, or may file annually to recover any reasonable costs of collaboration to advance large scale community solar projects under this section.

Collaboration with a project sponsor under this section does not create an affiliate interest or a financial interest in generation or generation-related assets.

**14. Rules.** The commission shall adopt rules to implement this section by January 1, 2017. Rules adopted under this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

**35-A M.R.S. § 3479 Commercial and Industrial Solar Market Segment**

**1. Procurement.** The commission shall conduct a competitive solicitation as frequently as the commission deems reasonable but no less than once per year for long term contracts for the output of solar generation resources of up to 2 MW associated with a single commercial or industrial customer account. In each calendar year, the commission shall seek to procure approximately 20% of the capacity needed to meet the procurement target in section 3475(2), provided that the commission may modify this annual allocation if it concludes that doing so would be in the best interests of all customers. Prior to a solicitation the commission shall develop, in consultation with the standard buyer, a standard contract that commit all parties to commercially reasonable behavior, and includes provisions to ensure that projects proceed to commercial operation on a reasonable timeline.

**2. Bidder eligibility.** The commission may establish minimum requirements for bidders including but not limited to site control, development experience, completion of an interconnection application, and system details for potential bidders, and require bidders to pay an application fee to defray administrative costs.

**3. Ensuring competition.** Prior to each solicitation, the commission shall establish standards to ensure that each auction has a sufficient number of unique bidders and quantity of offered capacity to be deemed competitive. If the commission concludes based on these standards that an auction is not competitive, no bidders shall be selected and the available capacity deferred to a subsequent solicitation. The commission may adjust the maximum project size eligible for a solicitation to ensure that there will be more than one bid selected.

**4. Bid Selection.** Following review of bids, the commission shall select one or more winning bidders, and direct the standard buyer to negotiate and enter into a contract with the winning bidders for a term of 20 years at a specified contract rate to be paid as a bill

credit to the commercial and industrial customer. The commission shall select bids that maximize the benefits or minimize costs to all customers.

**5. Determination of bill credit.**

The bill credit to be allocated to a commercial and industrial customer shall be based on the total production of the solar generation resource for the previous month. Each billing month, the value of the credits shall be calculated by multiplying the quantity of kilowatt hours by the contract rate. Payments to customers shall be credited against the customer's monthly electricity bill in accordance with section 3481.

The monthly output shall be determined by a revenue quality production meter installed and paid for by the participating commercial and industrial customer.

**6. Exemption.** A customer shall not be considered a public utility or competitive electricity supplier solely as a result of entering into a contract with the standard buyer under this section.

**7. Rules.** The commission shall adopt rules to implement this section by January 1, 2017. Rules adopted under this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

**35-A M.R.S. § 3480 Residential and small business market segment.**

**1. Long term contracts.** The standard buyer shall enter into a long term contract with a residential or small business customer for the output of a distributed generation resource of 250 kW or less. The rate paid for the output shall be set by the commission in accordance with subsection 2. Payments to customers under such contracts shall be credited against the customer's monthly electricity bill in accordance with section 3481.

**2. Rates.** The commission shall establish the rates to be paid for the output of distributed generation resources under the contracts between residential and small business customers and the standard buyer described in subsection 1.

The initial rate paid to new installations must decline as the total level of new residential and small business capacity relative to the targets in section 3475(4) increases.

Rates must be sufficient to ensure that total capacity of installations meet the residential and small business installation targets set forth in section 3475(4). In determining whether rates will be sufficient, the commission shall consider independent analysis of installation costs and development projections in establishing the prices, including but not limited to those from the U.S. Department of Energy National Renewable Energy Labs.

Rates must be set at levels that ensure that total annual contract payments for solar distributed generation resources procured under this section are not expected to exceed \$10.5 million per year in 2022, if the installation targets in section 3475(4) are met, assuming an export rate of 50% and the adjustment mechanism in subsection 3 is not triggered. Rates set under this section may be constant or increase over the term of the contract.

The commission may establish separate rates for specific types of distributed generation resources, or additional incentives or adders for resources with attributes that maximize benefits or lower costs to all customers.

**3. Rate adjustment mechanism.** The commission shall establish an adjustment mechanism to automatically increase rates for new customers by a specified amount if total distributed solar generation capacity installed by residential and small business customers under this section is less than 85% of the applicable target established in section 3475(4). The evaluation to determine whether this adjustment is triggered shall occur at six month intervals.

**4. Self consumption.** Notwithstanding section 1, residential and small business customers may offset their own consumption using their distributed generation resource on an hourly basis. The commission may specify a longer period for measuring self consumption if it determines that a transmission and distribution utility cannot track consumption on an hourly basis using a standard residential meter.

**5. Small scale community solar.** Residential and small business customers may jointly participate in a single distributed generation resource and receive payments under section 1 in proportion to their contracted share of the resource. The commission shall ensure that shared ownership distributed generation resources at the same location are separate facilities. A customer or owner shall not be considered a public utility or competitive electricity supplier solely as a result of their interest or participation in a small scale community solar resource.

**6. Continuation of net energy billing.** The commission's existing net energy billing rules shall remain in effect, without modification, for all customers until new rules pursuant to section 10 take effect. On the effective date of the rules established pursuant to section 10, net energy billing pursuant to 35-A M.R.S. 3209-A shall not be available to new customers, unless reinstated pursuant to the program review described in section 11.

**7. Existing net energy billing customers.** Customers who have elected net energy billing prior to the effective date of rules established pursuant to subsection 10 shall continue to be eligible for compensation in the form of a kilowatt-hour credit on the customer's monthly electricity bill for generation in excess of their consumption for that month, that may be carried forward and applied to their subsequent monthly electricity bills over twelve months, or its financial equivalent, for twelve years from the effective date of rules established pursuant to subsection 10. The commission shall establish a process to permit these customers to enter into contracts and receive payments under sections 1 and 2.

Customers who have elected net energy billing between January 1, 2016 and the effective date of the rules established pursuant to subsection 10 may choose to enter into a contract at the initial rate established by the commission under subsection 2 prior to any decline in rate, provided that these customers make such election within one year of the effective date of these rules.

The capacity of existing net energy billing customers who elect to enter into long term contracts under this subsection shall not be counted against the procurement target in section 3475(4) or trigger any decline in prices.

No later than December 31, 2028, the commission shall initiate a proceeding to consider methods to allow owners of distributed generation resources to continue to offset their own consumption and receive fair compensation for exported power in a manner that benefits all ratepayers.

**8. Renewable energy credits.** Participating residential and small business customers shall retain all environmental attributes associated with electricity generated by a distributed generation resource that is not exported to the grid and sold to the standard buyer. The commission shall develop a standard disclosure to be provided to all participating customers prior to entering into a contract under this section that describes

the effect of selling the renewable attributes of exported electricity to the standard buyer, and explains how a customer may participate in the voluntary renewable energy credit market.

The commission shall establish a mechanism to allow residential and small business customers who have entered into a long term contract under this section and subscribers to a large scale community solar resource to purchase renewable energy credits equivalent to those the customer has sold to the standard solar buyer at a price equal to 80% of market value.

**9. Consumer-owned utility exemption.** This section shall not apply to consumer-owned transmission and distribution utilities and their customers.

**10. Rules.** The commission shall adopt rules to implement this section by December 31, 2016. Rules adopted under this section are major substantive rules as defined in Title 5, chapter 375, subchapter 2-A.

**11. Program review.** The earlier of eighteen months after the effective date of rules adopted pursuant to section 10, or 21 MW of capacity have been installed by residential and small business customers pursuant to this section, the commission shall initiate an expedited proceeding to determine whether:

- A. the installation targets in section 3475(4) are likely to be met through 2022;  
and
- B. the total cost to all customers are likely to be less than if the installation targets in section 3475(4) were installed under the commission's net energy billing rules.

If the commission concludes that both conditions (A) and (B) will be met, the rules established pursuant to section 10 shall remain in effect, and net energy billing pursuant to 35-A M.R.S. 3209-A shall not be available to new customers in the future.

If the commission concludes that either condition (A) or (B) will not be met, the commission shall make findings regarding the reasons these conditions will not be met, and provide a report summarizing its conclusions to the joint standing committee of the Legislature having jurisdiction over utility matters within thirty days of the start of the Second Session of the 129<sup>th</sup> Legislature. If the commission determines that the rules adopted under this section can be modified to enable the program to meet installation targets or reduce costs so that conditions (A) and (B) are likely to be met in the future, it shall make and submit such changes to the Second Session of the 129<sup>th</sup> Legislature. If the commission determines that these rules cannot be modified to meet these targets or reduce costs, the commission shall review its net energy billing rules, or recommend alternative mechanisms to support distributed generation in a manner that benefit all ratepayers. If the commission does not propose changes to the rules adopted pursuant to section 10, or new rules are not adopted within sixty days of the adjournment of the Second Session of the 129<sup>th</sup> Legislature, net energy billing pursuant to 35-A M.R.S. 3209-A shall be available to new customers on that date.

**35-A M.R.S. § 3481 Bill credits.**

This section shall apply to any credits assigned to a customer's bill under this chapter.

If the value of the credit to be applied to a customer's bill is less than the amount owed by the customer at the end of the applicable billing period, the customer shall be billed for the difference between the amount shown on the bill and the value of the available credits.

If the value of the credits to be applied to the customer's bill is greater than the amount owed by the customer at the end of the billing period, the remaining value of the credit shall carry over from month to month until a specified date each year. The commission shall establish a minimum of two standard credit expiration dates that provide customers the opportunity to utilize bill credits to the maximum extent practicable in a given twelve month period. Any remaining credits as of that date shall be credited to the standard buyer and may not be applied against any future customer bill.

**35-A M.R.S. §3210-F is amended as follows:**

**§3210-F Allocation of costs and benefits of long-term energy contracts**

The commission shall ensure that all eligible costs and benefits associated with a long-term energy contract are allocated to ratepayers in accordance with this section.

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

A. "Eligible costs and benefits" means the net amount of all costs and direct financial benefits associated with long-term energy contracts entered into by investor-owned transmission and distribution utilities, including but not limited to any effects on a utility's cost of capital as a result of these contracts. For distributed generation resources, eligible costs and benefits shall include the categories set forth in 3476(3).

B. "Long-term energy contract" means a contract with an investor-owned transmission and distribution utility or a standard buyer entered into under section 3210-C-~~or~~, section 3604, or Chapter 34-B.

2. Eligible costs and benefits. The commission shall determine the eligible costs and benefits of a long-term energy contract annually.

3. **Allocation of eligible costs and benefits.** The commission shall annually allocate to each investor-owned transmission and distribution utility its pro rata share of eligible costs and benefits as determined under subsection 2. The allocation must be based on each utility's total retail kilowatt-hour energy sales to ratepayers that

receive the benefits and pay the costs of long-term energy contracts. The commission may determine the means to be used for the allocation required under this section, which may include the direct transfer of funds between investor-owned transmission and distribution utilities or the standard buyer.

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

**35-A M.R.S. § 3212-A is amended as follows:**

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

C. “Solar power supply” means renewable energy credits for electricity generated from renewable capacity resources as defined in section 3210, subsection 2, paragraph B-3 (c).

1-B. Solar power offer. The commission shall arrange for a solar power offer that is composed of solar power supply in accordance with this subsection. Except as provided in this subsection, the commission shall ensure that the solar power offer is available to all residential and small commercial electricity customers, as defined by the commission by rule, and shall administer a competitive bid process to select a solar power offer provider or providers for the service territory of a transmission and distribution utility.

A. The solar power offer must be in addition to existing standard-offer service under section 3212.

B.

C.

D. The commission shall, in accordance with section 3210, subsection 7, inform residential and small commercial consumers of electricity in this State of the opportunity to purchase the solar power offer.

E. The commission is not required to arrange for a solar power offer in the event that the commission receives no bids to provide the solar power offer in a transmission and distribution utility's territory, determines that the bids it receives are inadequate or

unacceptable or determines, based on prior experience arranging for a solar power offer in a utility's territory, that it is reasonably likely that it will not receive any adequate or acceptable bids.

F. The commission is not required to arrange for a solar power offer for the territory of a consumer-owned transmission and distribution utility. If the commission arranges standard-offer service for a consumer-owned transmission and distribution utility, the consumer-owned transmission and distribution utility may elect to have the commission arrange a solar power offer in accordance with this subsection. A consumer-owned transmission and distribution utility may establish a solar power offer through a competitive bidding process conducted in accordance with the commission's rules governing the selection of a solar power offer provider under this subsection.

The commission shall adopt rules to implement this subsection. Rules adopted under this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

2. Certification; information in bill inserts. Beginning July 1, 2017, information regarding the availability of the solar power offer and of solar power supply products and renewable energy credit products that are certified by the commission may, at the option of the provider of the offer or the product and with the cooperation of the transmission and distribution utility, be presented through inserts in customer bills issued by transmission and distribution utilities. The costs of the inserts, including but not limited to printing and postage costs, are the responsibility of the provider of the offer or product. The commission may define the criteria for certification of solar power supply products and renewable energy credit products by order or by rule, and the commission may limit the criteria for certification for consumer protection and eligibility verification purposes. Rules adopted to implement this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

3. Repeal. This section is repealed April 1, 2021.