

JOINT COMMITTEE ON TELECOMMUNICATIONS, UTILITIES, AND ENERGY

BILL SUMMARY

BILL TITLE: **An Act to promote energy diversity**

BILL NO: **H.2881 (as redrafted)**

SUMMARY:

Section 1:

Requires distribution companies to conduct solicitations for no less than 1200 MW aggregate nameplate capacity of offshore wind. Individual solicitations for offshore wind must be for a minimum size of 400 MW nameplate capacity. Stipulates that eligible offshore wind developers must build projects in federal waters.

Distribution companies are also required to conduct solicitations for no more than 9,450,000 MWh of delivered energy from either a) hydro imports alone or b) hydro imports and new Class I renewable resources. Said companies may either enter into long-term contracts or delivery commitment agreements.

For both procurements, allows solicitations to be conducted jointly with other states or state-designated entities. DPU may terminate solicitations if it determines no reasonable proposals were received.

For both procurements, DPU shall consider the attorney general's recommendations. Requires the distribution companies, DOER, and the attorney general to select an independent evaluator to assist DPU in determining whether the procurement process is open, fair, and transparent and in the public interest. DOER & DPU shall determine the winning bid in the event that distribution companies are unable to agree on a winning bid.

For both procurements, the length of the contracts shall be for 15-20 years and the distribution companies may decline contract proposals that would negatively affect their balance sheets. In the event that the distribution companies decline all contract proposals, DPU shall initiate a docket to determine the distribution company's rationale.

The distribution companies may sell energy into the wholesale or spot market and credit or debit customers appropriately. They may also retain RECS to meet RPS requirements.

Severability clause in both the offshore wind and hydro solicitations.