



## MAINE GOVERNOR'S Energy Office

### Distributed Solar and Energy Storage Program

July 1, 2024

#### **Purpose**

This document provides an update on the development of the Distributed Solar and Energy Storage Program (hereafter “the program”), established by statute as a program of the Governor’s Energy Office (GEO). 2 M.R.S. §9 sub-§6-A requires the GEO to “as funding allows... develop the program no later than July 1, 2024.” The program is anticipated to deploy federal funds in concert with a cost-effective procurement for community solar and energy storage projects approved by the Public Utilities Commission.

As described below, given the status of relevant federal funding awards and other factors, the program development is anticipated to continue to occur according to the timeline described below, with project procurement initiated as funding allows in the first half of calendar year 2025.

#### **Statutory Authority**

In July 2023 the Legislature enacted Public Law 2023 Chapter 411, An Act Relating to Net Energy Billing and Distributed Solar and Energy Storage Systems (LD 1986, or the Act). The Act contained multiple provisions, including establishing the program to “foster the continued growth of cost-effective distributed solar facilities and energy storage systems in this State.”<sup>1</sup> The Act also established new limits on the development of distributed solar projects under the pre-existing net energy billing programs, and created new requirements for the evaluation, reporting, and allocation of certain costs and benefits attributable to net energy billing programs. The Act became effective in October 2023.

In March 2024 the Legislature enacted Public Law 2024 Chapter 533, An Act to Make Changes to Certain Laws Governing Renewable Energy Projects. Among other provisions, this law clarified certain elements of the program previously established by the Act.

Statutory requirements established for the program include:

- The GEO, as funding allows, shall develop the program no later than July 1, 2024.
- The program must be designed to obtain and provide available federal funds to support cost-effective distributed solar facilities and energy storage systems.
- The GEO shall consult with the Public Utilities Commission in developing and administering the program.
- The GEO shall apply for available federal funds to fund the program, including but not limited to funds from the U.S. Environmental Protection Agency’s (EPA) Greenhouse Gas Reduction Fund.

#### **Federal Funding**

On June 28, 2023, the EPA released a Notice of Funding Opportunity<sup>2</sup> for the Solar for All program, a \$7 billion funding opportunity as part of the \$27 billion Greenhouse Gas Reduction Fund authorized by the Inflation Reduction Act of 2022.<sup>3</sup> Entities eligible to apply for funding from EPA included States and Territories, Tribal

---

<sup>1</sup> 2 M.R.S. §9 sub-§6-A.

<sup>2</sup> Funding Opportunity Number EPA-R-HQ-SFA-23-01, archived at <https://www.grants.gov/search-results-detail/348957>

<sup>3</sup> Additional background about the public process led by the EPA to develop the Solar for All funding competition and other Greenhouse Gas Reduction Fund programs is available from the EPA at <https://www.epa.gov/greenhouse-gas-reduction-fund/background-and-history>



Governments, Municipalities, and certain nonprofit organizations. EPA stated the Solar for All competition would “award up to 60 grants to states, territories, Tribal governments, municipalities, and eligible nonprofit recipients to expand the number of low-income and disadvantaged communities primed for distributed solar investment—enabling millions of low-income households to access affordable, resilient, and clean solar energy. Grantees will use funds to expand existing low-income solar programs or design and deploy new Solar for All programs nationwide.”

On July 31, 2023, the GEO submitted a Notice of Intent to EPA indicating its intention to apply for Solar for All funding on behalf of the State of Maine. On August 31, 2023, EPA extended the application deadline from September 26, 2023, to October 12, 2023, and established additional requirements including a limit of \$100 million for the State of Maine’s application. Following substantial stakeholder engagement, including publication of a draft program application framework for public comment, the GEO submitted its application seeking \$99.5 million to EPA in October 2023.<sup>4</sup> Maine’s application to the Solar for All competition included incentives for residential rooftop solar and energy storage, technical and financial assistance for cooperatively owned solar operations, and funding for the new distributed solar and energy storage program established by the Act.

On April 22, 2024, EPA announced the GEO was selected for an award of \$62.1 million through the Solar for All competition. Governor Janet Mills welcomed the award, saying “All Maine people should have access to clean, affordable, reliable energy to power their homes and businesses, regardless of income level or home ownership status. I welcome this funding from the EPA to help Maine establish a program to enable low-income communities across Maine to participate in and benefit from solar development in our state.”

### **Anticipated Timeline**

Based on the latest information from EPA following announcement of Solar for All awards in April 2024, the GEO anticipates final authorization to draw down Solar for All funding for deployment on or around the end of 2024. Receipt of such approval from EPA will be dependent on successful negotiation of terms and conditions, which are not yet available from EPA at this time.

Based on this best available current information, the GEO anticipates the Distributed Solar and Energy Storage Program may commence through an initial competitive procurement opportunity, subject to Public Utilities Commission consultation and approval as required by law, in or around the first half of 2025.

### **Next Steps**

The GEO anticipates sharing additional information with stakeholders and the public as it becomes available throughout the remainder of 2024 and into 2025. Information will include opportunities for stakeholder and public input on matters anticipated to include, but not be limited to, program design and implementation, funding priorities, and stakeholder and community engagement.

**Interested stakeholders and members of the public are encouraged to subscribe for email updates about the GEO’s Solar for All program activities [online here](#) or by scanning the QR code.**



---

<sup>4</sup> A summary of the GEO’s application was released publicly and is available online at [https://www.maine.gov/energy/sites/maine.gov.energy/files/inline-files/Solar%20for%20All%20one%20pager\\_1.pdf](https://www.maine.gov/energy/sites/maine.gov.energy/files/inline-files/Solar%20for%20All%20one%20pager_1.pdf)