MAINE STATE LEGISLATURE

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2	ONE HUNDRED AND TENTH LEGISLATURE	
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6 7	Legislative Document No	. 2119
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9	H. P. 2272 House of Representatives, March 3 Reported by Representative Davies from the Committee or Utilities and printed under Joint Rules No. 2. EDWIN H. PER	n Public
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11 12	STATE OF MAINE	
13 14 15	IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-TWO	
16 17 18 19 20 21	AN ACT Requiring Public Utilities Commission Approval for the Purchase of Portions of Electrical Generating Facilities by Electrical Companies or Fuel Conversion in Electrical Generating Facilities.	
22	Be it enacted by the People of the State of Maine as f	ollows:
23	Sec. 1. 35 MRSA §13-B is enacted to read:	
24 25 26 27	§13-B. Purchase of generating capacity, energy or sion capacity or fuel conversion of g facilities prohibited without prior order commission	enerating

1. Certificate of public convenience and necessity. Commission approval is required as follows whenever any electrical company proposes:

 A. To purchase any right, title or interest in generating capacity, transmission capacity or energy, as defined in subsection 2; or

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B. To convert a permanently installed generating facility of more than 1,000 kilowatts to use a type of fuel different from that which the facility currently is equipped to use.

The company shall file with the commission, no less than months in advance of submitting its petition for a certificate of public convenience and necessity for the proposed purchase or conversion, a notice of its intent to file the The notice shall inform the commission petition. terms of the proposed purchase or conversion, and thereafter commission may, by rule or otherwise, require the petitioner to make available such additional information as it deems necessary. The petition for a certificate of public convenience and necessity shall contain such information the commission may by rule prescribe. The petition shall be set down for public hearing. The commission shall issue its order within 12 months after the petition is filed. If there is then outstanding for the utility a long-range plan approved pursuant to section 13-C, the commission shall issue its order within 9 months of filing. If an approved plan is outstanding, the utility need not provide an advance notice of its intent to file the petition. No electrical company may purchase any generating capacity, transmission capacity or energy as defined in subsection 2, or carry out a fuel conversion within the meaning of this section, unless the commission has issued a certificate of public convenience and necessity approving the petition.

- In its order, the commission shall make specific findings with regard to the need for such facilities and, if the commission finds that a need for the purchase or conversion exists, it shall issue a certificate of public convenience and necessity for the purchase or conversion. In ruling upon a fuel conversion petition, the commission may consider the benefit to the public of any increased security of fuel supply which may result from the conversion.
- The issuance of a certificate of public convenience and necessity establishes that, as of the date of issuance of the certificate, the decision by the utility to purchase or convert was prudent.
 - 2. Definitions. As used in this chapter, unless the context indicates otherwise, the following terms have the following meanings.

- A. "Energy" is defined to include an entitlement to energy for a period greater than 3 years.
- B. "Generating capacity" includes an entitlement to the output of 1,000 kilowatts or more of an electric generating facility or facilities for a period greater than 3 years.
- 7 C. "Transmission capacity" includes an entitlement to transmission services over a transmission line with a capacity greater than 100 kilovolts for periods greater than 3 years.
- 3. Exclusions. Nothing in this section may be construed to apply to any purchases made by an electrical company from any cogenerator or small power producer, as defined in chapter 172.
- 4. Filing fee. When the petition is filed, the utility or utilities involved shall pay to the Public Utilities Commission an amount equal to 2/100 of 1% of the estimated cost of the purchase or conversion.
- Notwithstanding any other provision of law, filing fees paid as required here shall be segregated, apportioned and expended by the Public Utilities Commission for the purposes of this section.
- 23 Sec. 2. 35 MRSA §13-C is enacted to read:
- 24 §13-C. Long-range energy plan
- 1. Filing by electric companies. Every electric company whose total sales of electric energy for purposes other 25 26 than resale exceeded 300 million kilowatt hours during any 27 calendar year beginning after December 31, 1980, may submit 28 29 to the Public Utilities Commission a long-range energy plan for the 15-year period subsequent to the date the plan is 30 submitted. This plan shall include the company's annual peak-load forecasts, annual energy forecasts, projected 31 32 annual fuel mix type and location of proposed generating 33 facilities and alternatives, type and route of major proposed transmission lines and alternatives, and an analysis 34 35 of the cost and financing of the plan, together with such 36 other information as the commission may by rule require. 37 The plan shall list and describe all the assumptions used by 38 the company in formulating the plan required 39 40 section.

2. Hearing and decision. The commission shall set down for public hearing each long-range energy plan filed in accordance with subsection 1. Notice of the hearing and opportunity to intervene shall be provided in accordance with the applicable provisions of the Maine Administrative Procedure Act, Title 5, chapter 375, and the commission's rules of practice and procedure. The commission shall issue a decision approving, disapproving or modifying each plan within one year after the filing of such energy plan in accordance with this subsection. Each long-range energy plan as approved or modified by the commission shall constitute the energy plan of each electric company which files such plan in accordance with section 1 and, unless altered as the result of judicial review or subsequently modified by commission order, shall represent the final finding of fact of the matters contained therein for the purposes of subsection 3.

3. Construction, purchase or conversion of electric generating facilities. If, at the time the commission issues an order granting a certificate of public convenience and necessity to a utility pursuant to section 13-B, there is in existence a long-range energy plan for the utility approved or modified by the commission 2 years or less before the date of the order, the certificate shall not be granted unless the facility subject to the granting of the certificate conforms to that plan. The findings by the commission, as embodied in its order under subsection 2, shall to the extent relevant represent the commission's findings of fact of the matters contained therein in any proceeding pursuant to section 13-B that is decided within 2 years from the date of the order.

STATEMENT OF FACT

This new draft retains the concept from the bill of prior approval for electric generating capacity, energy or transmission lines, as well as major fuel conversion, thus extending the concept of the certificate of public convenand necessity to include out-of-state facilities. ience Public Commission's Utilities decision is required within 12 months after filing. If the utility has an approved long-range energy plan, the decision is speeded up to 9 months.

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