

# MAINE STATE LEGISLATURE

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Date: 5/10/07

Majority

UTILITIES AND ENERGY

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
123RD LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 224, L.D. 268, Bill, "An Act Regarding the Long-term Contracting Authority of the Public Utilities Commission"

Amend the bill by striking out the emergency preamble.

Amend the bill in section 1 in subsection 1 in paragraph B in the 3rd and 4th lines (page 1, lines 22 and 23 in L.D.) by striking out the following: "commission New England independent system operator or successor organization." and inserting the following: 'commission.'

Amend the bill in section 1 in subsection 1 in paragraph E in the 2nd line (page 2, line 2 in L.D.) by inserting after the following: "except" the following: 'the maximum total power production capacity limit of 100 megawatts under section 3210, subsection 2, paragraph C does not apply and'

Amend the bill by striking out section 2 and inserting the following:

'Sec. 2. 35-A MRSA §3210-C, sub-§3, as enacted by PL 2005, c. 677, Pt. C, §1, is amended to read:

3. Commission authority. The commission may direct large investor-owned transmission and distribution utilities to enter into long-term contracts for:

- A. Capacity resources; and
B. Any available energy associated with capacity resources contracted under paragraph A:

- (1) To the extent necessary to fulfill the policy of subsection 2, paragraph A; or
(2) If the commission determines appropriate for purposes of supplying or lowering the cost of standard-offer service pursuant to section 3212. If contracts are entered into Available energy contracted pursuant to this subparagraph, the contracts must be treated as standard-offer service contracts pursuant to section 3212 may be sold into the wholesale electricity market in conjunction with solicitations for standard-offer supply bids.

COMMITTEE AMENDMENT

COMMITTEE AMENDMENT "A" to H.P. 224, L.D. 268

1 The commission may direct large investor-owned transmission and distribution utilities to  
2 enter into contracts under this subsection only as agents for their customers and only in  
3 accordance with this section. To the greatest extent possible, the commission shall  
4 develop procedures having the same legal and financial effect as the procedures used for  
5 standard-offer service pursuant to section 3212 for large investor-owned transmission and  
6 distribution utilities.

7 The commission may enter into contracts for interruptible, demand response or energy  
8 efficiency capacity resources. These contracts are not subject to the rules of the State  
9 Purchasing Agent.

10 Capacity resources contracted under this subsection may not exceed the amount  
11 necessary to ensure the reliability of the electric grid of this State or to lower customer  
12 costs as determined by the commission pursuant to rules adopted under subsection 10.

13 Unless the commission determines the public interest requires otherwise, a capacity  
14 resource may not be contracted under this subsection unless the commission determines  
15 that the capacity resource is recognized as a capacity resource for purposes of any  
16 regional or federal capacity requirements.'

17 Amend the bill in section 4 by striking out all of subsection 7 and inserting the  
18 following:

19 '7. **Disposition of resources.** A large investor-owned transmission and distribution  
20 utility shall sell capacity resources and energy purchased pursuant to subsection 3 or take  
21 other action relative to such capacity resources and energy as directed by the  
22 commission.'

23 Amend the bill by striking out the emergency clause.

24 **SUMMARY**

25 This amendment is the majority report of the committee. The amendment eliminates  
26 the provisions in the bill that would authorize the Public Utilities Commission to direct  
27 large investor-owned transmission and distribution utilities to enter into long-term  
28 contracts for ancillary services and renewable energy credits associated with capacity  
29 resources and to enter into long-term contracts on a wholesale basis. The amendment  
30 also adds language to revise the definition of "renewable capacity resource" and removes  
31 language in the bill in order to preserve the definition of "interruptible, demand response  
32 or energy efficiency capacity resource" as it exists in current law. Finally, the  
33 amendment removes the emergency preamble and emergency clause from the bill.

FISCAL NOTE REQUIRED  
(See attached)

**COMMITTEE AMENDMENT**



Approved: 04/29/07 *mac*

# 123rd MAINE LEGISLATURE

LD 268

LR 761(02)

**An Act Regarding the Long-term Contracting Authority of the Public Utilities Commission**

**Fiscal Note for Bill as Amended by Committee Amendment "A"**

**Committee: Utilities and Energy**

**Fiscal Note Required: Yes**

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## Fiscal Note

Minor cost increase - Other Special Revenue Funds

### Fiscal Detail and Notes

The additional costs associated with this legislation can be absorbed by the Public Utilities Commission utilizing existing budgeted resources.