

MAINE STATE LEGISLATURE

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No. 1248

S.P. 434

March 8, 2007

An Act To Establish the Northern Maine Power Agency

Reference to the Committee on Utilities and Energy suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator SHERMAN of Aroostook.

Cosponsored by Senator: WESTON of Waldo, Representatives: CLEARY of Houlton, CURTIS of Madison, GIFFORD of Lincoln, JOY of Crystal, McLEOD of Lee, THERIAULT of Madawaska.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 10 MRSA c. 1005** is enacted to read:

3 **CHAPTER 1005**

4 **NORTHERN MAINE POWER AGENCY**

5 **§9251. Northern Maine Power Agency established**

6 **1. Establishment; purpose.** The Northern Maine Power Agency, referred to in this
7 chapter as "the agency," is established as a body corporate and politic and a public
8 instrumentality of the State. The corporation is a special purpose corporation. The
9 exercise by the agency of the powers conferred by this chapter is considered the
10 performance of essential public functions. The purposes of the agency are to:

11 A. Purchase and supply electric capacity and energy to serve the standard offer
12 requirements of the transmission and distribution utilities participating in the northern
13 Maine independent system administrator; and

14 B. Construct, lease and operate transmission facilities projects as defined in section
15 963-A, subsection 49-H.

16 **2. Approvals.** This chapter may not be interpreted to exempt the construction,
17 ownership, leasing or operation of a project or facility by the agency from an approval
18 required by law or rule or to alter the service territories or rights of a transmission and
19 distribution utility.

20 **3. Boards.** The powers of the agency are exercised by a board of directors, referred
21 to in this chapter as "the board," that consists of 6 members, appointed by the boards of
22 directors of the transmission and distribution utilities that are participating in the northern
23 Maine independent system administrator:

24 A. The chief executive officer of the agency, elected by the other members of the
25 board. The vote of the chief executive officer is only an advisory vote and may not
26 be counted if that vote causes a tie on the board;

27 B. The chief executive officer or the chief executive officer's designee representing
28 each of the 4 affected transmission and distribution utilities; and

29 C. The Public Advocate or the Public Advocate's designee.

30 **4. Standard offer.** To ensure that a sufficient electric load is supplied, every
31 customer of a transmission and distribution utility participating in the northern Maine
32 independent system administrator is required to take standard offer service from the
33 transmission and distribution utility to which the customer is connected.

34 A. A customer taking service other than standard offer service under contract on the
35 effective date of this section may continue to purchase the contractual service for as
36 long as the customer does so continuously from that supplier and is exempt from this
37 section.

1 B. A customer having an average calendar year electric load calculated by monthly
2 peaks of at least 15 megawatts is exempt from this section.

3 The agency may obtain standard offer power supply under the same conditions as
4 prescribed in statute for consumer-owned utilities. Each transmission and distribution
5 utility participating in the northern Maine independent system administrator shall obtain
6 standard offer supply as otherwise provided under Title 35-A and may obtain the standard
7 offer supply from the agency or another authorized entity.

8 **5. Powers.** The agency has all the powers necessary to carry out this chapter
9 including, without limitation, those general powers provided to a nonprofit corporation by
10 the Maine Nonprofit Corporation Act.

11 A. The agency is authorized to recover from customers its operating costs, subject to
12 approval of the Public Utilities Commission, as an energy surcharge on power supply
13 charges. The agency shall recover from customers on a uniform and
14 nondiscriminatory basis the actual cost of power supply obtained pursuant to this
15 chapter.

16 B. The agency shall recover all costs relating to transmission service as prescribed in
17 the Federal Power Act, 16 United States Code, Section 791a.

18 **SUMMARY**

19 This bill establishes the Northern Maine Power Agency in order to obtain power
20 supply for standard offer service to construct or lease and operate transmission facilities
21 to the 4 utilities participating in the northern Maine independent system administrator.