

MAINE STATE LEGISLATURE

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129th MAINE LEGISLATURE

FIRST REGULAR SESSION-2019

Legislative Document

No. 1173

S.P. 359

In Senate, March 12, 2019

An Act To Allow the Direct Sale of Electricity

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

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator WOODSOME of York.

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

2 **Sec. 1. 35-A MRSA §2305-B, sub-§§1 and 2**, as enacted by PL 2001, c. 110,
3 §2, are amended to read:

4 **1. Transmission and distribution utilities; direct electric service.** A transmission
5 and distribution utility or a person that provides direct electric service approved in
6 accordance with section 3321, subsection 3 may construct and maintain its lines in, upon,
7 along, over, across or under the roads and streets in any municipality in which it is
8 authorized to supply electricity, subject to the conditions and restrictions provided in this
9 chapter and chapter 25.

10 **2. Persons other than transmission and distribution utilities.** A person other than
11 a transmission and distribution utility or a person that provides direct electric service
12 approved in accordance with section 3321, subsection 3 may not construct or maintain
13 electric lines, including poles or other related structures, in, upon, along, over, across or
14 under a road, street or other public way unless:

- 15 A. The person satisfies the requirements of section 2503;
- 16 B. The person or the person's contractor hired to construct the line provides to the
17 applicable licensing authority a performance bond:
- 18 (1) In the amount of the value of the line, including poles or other related
19 structures, to be located in the public way; and
- 20 (2) That is enforceable for one year from the date the line is energized;
- 21 C. Prior to constructing the line, the person notifies the transmission and distribution
22 utility in whose service territory the line is proposed to be built of the proposed
23 location of the line; and
- 24 D. If a public utility objects to the line on the basis that it may constitute a
25 duplication of existing transmission or distribution facilities or may interfere with the
26 adequate and safe delivery of electricity to others, the commission issues a finding
27 that the line is not a duplication of existing transmission or distribution facilities and
28 does not interfere with the adequate and safe delivery of electricity to others. A
29 finding is not required under this paragraph unless a public utility has objected in
30 writing to the applicable licensing authority.

31 **Sec. 2. 35-A MRSA c. 33-A** is enacted to read:

32 **CHAPTER 33-A**

33 **DIRECT ELECTRIC SERVICE**

34 **§3321. Direct electric service**

35 **1. Definition.** As used in this chapter, unless the context otherwise indicates, "direct
36 electric service" means the private sale of electricity from a generator to a commercial or
37 industrial customer.

1 **2. Direct electric service, public utility exception.** Notwithstanding section 2102
2 or any other provision of this Title, a person that provides direct electric service approved
3 under subsection 3 does not, as a result of furnishing direct electric service to
4 participating customers, become a public utility and is not subject to regulation as a
5 public utility under this Title.

6 **3. Commission approval.** The commission shall approve a petition under section
7 2503 to provide direct electric service if the service meets the following requirements:

8 A. The generator and commercial or industrial customer are located within 5 miles of
9 each other; and

10 B. The number of commercial or industrial customers that receive direct electric
11 service is limited to 5 customers.

12 The person providing direct electric service must demonstrate that the person has the
13 financial capacity and technical capability to operate a proposed new electric line.

14 **SUMMARY**

15 This bill directs the Public Utilities Commission to approve a petition to sell
16 electricity directly to commercial or industrial customers if the commission finds the
17 electric service meets specified requirements. The bill specifies that the petitioner does
18 not become a public utility as a result of its furnishing electric service to participating
19 customers. The bill also provides that a person that has been approved to sell electricity
20 directly to customers may construct and maintain its lines in, upon, along, over, across or
21 under the roads and streets.