

MAINE STATE LEGISLATURE

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129th MAINE LEGISLATURE

FIRST REGULAR SESSION-2019

Legislative Document

No. 1683

H.P. 1207

House of Representatives, May 7, 2019

**An Act To Clarify the Definition of "Consumer-owned
Transmission and Distribution Utility"**

(AFTER DEADLINE)

(EMERGENCY)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

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

A handwritten signature in cursive script that reads "Robert B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative GROHOSKI of Ellsworth.
Cosponsored by Senator LAWRENCE of York and
Representatives: BERRY of Bowdoinham, DOUDERA of Camden, HANLEY of Pittston,
KESSLER of South Portland, RYKERSON of Kittery.

1 **Emergency preamble. Whereas,** acts and resolves of the Legislature do not
2 become effective until 90 days after adjournment unless enacted as emergencies; and

3 **Whereas,** the fast pace of change in the electric industry has created confusion
4 within the current legal parameters under which new forms of transmission and
5 distribution electric utility ownership are being introduced in the State; and

6 **Whereas,** the confusion in the electric industry caused by the current legal
7 parameters of transmission and distribution electric utility ownership could cause harm to
8 ratepayers and inhibit the beneficial growth of the industry; and

9 **Whereas,** in the judgment of the Legislature, these facts create an emergency within
10 the meaning of the Constitution of Maine and require the following legislation as
11 immediately necessary for the preservation of the public peace, health and safety; now,
12 therefore,

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

14 **Sec. 1. 35-A MRSA §3201, sub-§6,** as enacted by PL 1997, c. 316, §3, is
15 amended to read:

16 **6. Consumer-owned transmission and distribution utility.** "Consumer-owned
17 transmission and distribution utility" means any transmission and distribution utility
18 wholly owned by ~~its~~ consumers who reside in the service territory of the utility,
19 including, but not limited to:

20 A. The transmission and distribution portion of a rural electrification cooperative
21 organized under chapter 37;

22 B. The transmission and distribution portion of an electrification cooperative
23 organized on a cooperative plan under the laws of the State;

24 C. A municipal or quasi-municipal transmission and distribution utility of a
25 municipality or quasi-municipal entity located in the State;

26 D. The transmission and distribution portion of a municipal or quasi-municipal entity
27 of a municipality or quasi-municipal entity located in the State providing generation
28 and other services; and

29 E. A transmission and distribution utility wholly owned by a municipality located in
30 the State.

31 **Sec. 2. 35-A MRSA §3501, sub-§1,** as amended by PL 1999, c. 398, Pt. A, §85
32 and affected by §§104 and 105, is further amended to read:

33 **1. Consumer-owned transmission and distribution utility.** For the purposes of
34 this chapter, "consumer-owned transmission and distribution utility" means any
35 transmission and distribution utility that is wholly owned by ~~its~~ consumers who reside in
36 the service territory of the utility, including, but not limited to:

37 A. Any rural electrification cooperative organized under chapter 37;

1 B. Any electrification cooperative organized on a cooperative plan under the laws of
2 the State;

3 C. Any municipal or quasi-municipal transmission and distribution utility of a
4 municipality or quasi-municipal entity located in the State;

5 D. The portion of any municipal or quasi-municipal entity of a municipality or quasi-
6 municipal entity located in the State providing transmission and distribution services;
7 and

8 E. Any transmission and distribution utility wholly owned by a municipality located
9 in the State.

10 **Emergency clause.** In view of the emergency cited in the preamble, this
11 legislation takes effect when approved.

12 **SUMMARY**

13 This bill amends the definition of consumer-owned transmission and distribution
14 utility to clarify that the utility must be wholly owned by consumers who reside in the
15 service territory of the utility and that any municipal or quasi-municipal ownership must
16 be of a municipality or quasi-municipal entity located in the State.