

MAINE STATE LEGISLATURE

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132nd MAINE LEGISLATURE

FIRST SPECIAL SESSION-2025

Legislative Document

No. 1358

H.P. 881

House of Representatives, April 1, 2025

**An Act to Reduce Electricity Rates by Removing Limitations on the
Ownership of Generation by an Affiliate of an Investor-owned
Transmission and Distribution Utility**

Received by the Clerk of the House on March 28, 2025. Referred to the Committee on Energy, Utilities and Technology pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

A handwritten signature in black ink, reading "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative FAULKINGHAM of Winter Harbor.
Cosponsored by Senator STEWART of Aroostook and
Representatives: FOSTER of Dexter, MCINTYRE of Lowell, SMITH of Palermo, Senator:
HARRINGTON of York.

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

Sec. 1. 35-A MRSA §3204, sub-§11, as enacted by PL 2017, c. 287, §1, is amended to read:

11. Affiliated generation outside service territory permitted. Notwithstanding subsection 5, an affiliate of an investor-owned transmission and distribution utility may own generation or generation-related assets in accordance with standards of conduct adopted under this subsection as long as the generation or generation-related assets are not directly interconnected to the facilities owned or operated by that investor-owned transmission and distribution utility. The commission shall establish, by rule, standards of conduct governing the relationships permitted under this section between an investor-owned transmission and distribution utility and an affiliate of the investor-owned transmission and distribution utility that owns generation or generation-related assets that:

A. Prohibit a transmission and distribution utility from taking any action that favors such an affiliate or adversely affects a competitor of such an affiliate in a manner that is unjust or unreasonable;

B. Ensure the separation and independence of such affiliates; and

C. Protect ratepayers.

For purposes of this subsection, "affiliate" means a person who has any direct or indirect ownership interest in, or is a direct or indirect subsidiary of a person who has any ownership interest in, the investor-owned transmission and distribution utility, but does not include a wholly owned or partially owned direct or indirect subsidiary of the investor-owned transmission and distribution utility.

~~Any affiliate generation or generation-related assets permitted under this subsection that do not have a commission-approved long-term contract or term sheet under this Title as of July 1, 2017 are ineligible to participate in a long-term contract under this Title.~~

Rules adopted pursuant to this subsection are major substantive rules as defined in Title 5, chapter 375, subchapter 2-A.

SUMMARY

This bill permits an affiliate of an investor-owned transmission and distribution utility to own generation or generation-related assets in accordance with standards of conduct adopted by the Public Utilities Commission including when the generation or generation-related assets are directly interconnected to the facilities owned or operated by that investor-owned transmission and distribution utility. The bill also removes the prohibition on affiliate generation or generation-related assets participating in long-term contracts under the Maine Revised Statutes, Title 35-A.