

MAINE STATE LEGISLATURE

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132nd MAINE LEGISLATURE

FIRST SPECIAL SESSION-2025

Legislative Document

No. 1412

H.P. 934

House of Representatives, April 1, 2025

An Act to Increase Contingency Reserves for Maine's Consumer-owned Electric Transmission and Distribution Utilities

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 DUCHARME of Madison.
Cosponsored by Senator BERNARD of Aroostook and
Representatives: ALBERT of Madawaska, FOSTER of Dexter, SAYRE of Kennebunk,
SWALLOW of Houlton, Senators: RAFFERTY of York, STEWART of Aroostook.

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

Sec. 1. 35-A MRSA §3503, sub-§5, ¶C, as amended by PL 1999, c. 398, Pt. A, §87 and affected by §§104 and 105, is further amended by amending subparagraph (3) to read:

(3) To provide for a contingency reserve fund, 1/2 of which may be used for capital purposes, to reflect up to a ~~25%~~ 50% addition to yearly revenues over the amount required to operate the utility, ~~not including purchased power supply costs, if any.~~ Any surplus in excess of this ~~25%~~ 50% must be used to offset future revenue requirements in the setting of rates. Any interest generated on these funds must be deposited into the contingency reserve fund. The balance in the contingency reserve fund at the close of the utility's fiscal year may not exceed ~~25%~~ 50% of the yearly revenues over the amount required to operate the utility, ~~not including purchased power supply costs, if any; and~~

SUMMARY

Under current law, a consumer-owned transmission and distribution utility may keep a contingency reserve fund for capital purposes to reflect up to a 25% addition to yearly revenues over the amount required to operate the utility, not including any purchased power supply costs.

This bill increases the amount that a consumer-owned transmission and distribution utility may keep in a contingency reserve fund to reflect up to a 50% addition to yearly revenues over the amount required to operate the utility. The bill removes the language that excludes any purchased power supply costs from this formula.