

MAINE STATE LEGISLATURE

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FIRST SPECIAL SESSION

ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document

No. 2244

H. P. 2080

House of Representatives, February 24, 1976

Reported by Mr. Kelleher from Committee on Public Utilities pursuant to
H. P. 1723 and printed under Joint Rules No. 3.

EDWIN H. PERT, Clerk

Filed under Joint Rule 3 Pursuant to H. P. 1723.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-SIX

AN ACT Relating to Electric Utility Rate Structures.

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

35 MRSA c. 5, sub-c. III is enacted to read:

SUBCHAPTER III

ELECTRIC UTILITY RATE STRUCTURES

§ 135. Rate structures

1. Definition. As used in this subchapter, the term "peak load pricing" means electric utility pricing which is directly related to daily, seasonal or annual periods during which the kilowatt demand for electric energy significantly exceeds the average kilowatt demand for the day, season or year in which the period or periods occur.

2. Utilities with revenues in excess of \$700,000. No application for a rate increase from any electric utility with gross revenues within this State in excess of \$700,000 in the calendar year preceding the filing of the application shall be deemed complete unless it includes a responsible proposal for peak load pricing for those customers having either existing peak load metering capability or metering capability which can economically be modified for peak load measurements of electric consumption. The utility may file an alternative tariff and may support whichever alternative it prefers.

3. Utilities with revenues in excess of \$20,000,000. No application for a rate increase of any electric utility with gross revenues within this State in excess of \$20,000,000 in the calendar year preceding the filing of the appli-

cation shall be deemed complete unless it includes a responsible proposal for peak load pricing provisions for all customers. A utility may file an alternative tariff and may support whichever alternative it prefers. A proposal under this subsection shall include at least one of the following:

- A. A rate wherein all customers are billed under a peak load pricing structure with appropriate metering to measure usage at each time interval;
- B. A rate with a peak load pricing structure where metering options are available to a customer if the customer so desires and is willing to pay for the cost of the meter; or
- C. Proposals for demonstration projects involving peak load pricing and other load management techniques.

Any proposal under paragraph A, B or C shall include a plan, and schedule of implementation thereof, for determining a reasonably uniform-cost-benefit relationship, based upon peak load pricing, for all classes of customers.

4. Marginal and incremental costs. All utilities with gross revenues within this State in excess of \$20,000,000 applying for a rate increase shall explain the relationship between future costs of constructing generation, transmission and distribution facilities and the rate structures proposed in new tariff filings.

STATEMENT OF FACT

This bill is a result of the Public Utilities Committee's continuing study of energy rate structures pursuant to a study order, H. P. 1723 and represents the views of the minority of the committee.

The bill would require electric utilities, when filing rate increase requests, to include proposals for peak load (or time-of-day) pricing. Such pricing conserves energy by providing an incentive not to use electricity at peak periods.