

MAINE STATE LEGISLATURE

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New Draft of: H. P. 691, L. D. 873
(New Title)

ONE HUNDRED AND EIGHTH LEGISLATURE

Legislative Document

No. 1774

H. P. 1553

House of Representatives, May 11, 1977

Reported by Mr. Berry from the Committee on Public Utilities and printed under Joint Rules No. 2.

EDWIN H. PERT, Clerk

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-SEVEN

**AN ACT to Encourage Energy Conservation by Means of Reform of
Utility Rate Designs.**

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

35 MRSA c. 4-A is enacted to read:

CHAPTER 4-A

ELECTRIC RATE REFORM ACT

§ 91. Title

This chapter shall be known as the "Electric Rate Reform Act."

§ 92. Policy and findings

The Legislature declares and finds that improvements in electric utility rate design and related regulatory programs have great potential for reducing the cost of electric utility services to consumers, for encouraging energy conservation and efficient use of existing facilities and for minimizing the need for expensive new electrical generating and transmission capacity. It is the purpose of this chapter to require the Public Utilities Commission to relate electric rates more closely to the costs of providing electric service.

§ 93. The Public Utilities Commission shall develop proposals to improve electrical utility rate design

The commission, as it determines appropriate, shall order electric public utilities to submit specific rate design proposals and related programs for implementing energy conservation techniques and innovations, either in con-

junction with or independently of any rate-making proceeding pending before the commission. Such proposals shall, as the commission determines, be designed to encourage energy conservation, minimize the need for new electrical generating capacity, and minimize costs of electricity to consumers, and shall include, but not be limited to, proposals which provide for the development and implementation of:

1. Load management. Load management techniques;
2. Marginal costs of service. Rates which reflect marginal costs of services at different voltages, times of day or seasons of the year;
3. Policies. Policies which encourage economic use of fuel; and
4. Rates or regulatory policies. Rates or other regulatory policies which encourage electric utility system reliability.

§ 94. The Public Utilities Commission shall require the necessary improvements

The Public Utilities Commission shall mandate a scheduled phasing-in of improvements in electric utility rate design and related regulatory programs, and is authorized to order utilities to develop and implement electric utility rate design improvements approved by the Public Utilities Commission on temporary, pilot and experimental basis, affecting either a portion or all of any class of consumers of any utility as the commission may determine is appropriate to carry out the purposes of this Act, and order other energy conservation techniques, programs and innovations relating to electric public utility service that, in the commission's judgment are practicable, just and reasonably related to fulfilling the purposes of this chapter, any other laws to the contrary notwithstanding.

§ 95. The Department of the Attorney General is authorized to intervene before the commission to protect consumer interests

The Department of the Attorney General, heretofore established by law, is hereby authorized to:

1. Make assessments. Make general factual assessments of the impact of proposed rate changes and other proposed regulatory actions upon all affected consumers;
2. Assist consumers. Assist consumers in the presentation of their positions before utility regulatory commissions;
3. Advocate position. Advocate, on its own behalf, a position which it determines represents the position most advantageous to consumers, taking into account developments in rate design reform; and
4. Obtain grants. Obtain grants pursuant to Public Law 94-385, Section 205 (a), 42 United States Code, Section 6805 and the funds thus made available are to be in addition to, and not in substitution for, funds made available to that department from other sources.

STATEMENT OF FACT

This statute is modeled after the Federal Energy Conservation and Production Act, Public Law 94-385, 42 United States Code, Sections 6801-6802, which directs the Federal Energy Administration to develop rate design reforms and related regulatory reforms similar to those set forth in the original bill.

The provisions of new draft relating to the Department of the Attorney General are designed to make it possible for the State to take advantage of Section 205 of the Federal Energy Conservation and Production Act which provides for grants to be made to offices of consumer protection which are authorized to carry out the responsibilities set forth in this new draft for the department.