

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

FIRST REGULAR SESSION

ONE HUNDRED AND TENTH LEGISLATURE

Legislative Document

No. 1461

H. P. 1236

House of Representatives, March 24, 1981

Referred to the Committee on Public Utilities. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Representative Reeves of Pittston.

Cosponsor: Representative Michael of Auburn.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-ONE

AN ACT to Prohibit the Export of Hydroelectric Power.

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

Sec. 1. 35 MRSA § 2309, first ¶, as amended by PL 1977, c. 124, § 3, is further amended to read:

§ 2309. **Area within which domestic electric company may generate and transmit electric energy**

Notwithstanding any limitation imposed by its charter and except as limited by section 2309-A, each domestic electric company is authorized and empowered to generate and transmit electric energy and to acquire and operate anywhere within or without this State utility facilities or interests therein of whatever nature or form used or required to be used in its service to the public, provided nothing in this section shall be construed to authorize such a company to sell electric energy in this State to any person or corporation or within any area, except as otherwise authorized by its charter or the general statutes of this State and provided that section 171, notwithstanding the last sentence of subsection 1 thereof, shall be applicable to any domestic electric company acquiring and operating utility facilities outside this State.

Sec. 2. 35 MRSA § 2309-A is enacted to read:

§ 2309-A. Prohibition on export of hydroelectric power

No corporation, unless expressly authorized to do so by special act of Legislature, may transmit or convey beyond the confines of the State for the purpose of furnishing power, heat or light, any electrical current generated directly or indirectly by any water power in this State; nor sell or furnish, directly or indirectly, to any person, firm or corporation, any electric current so generated to be transmitted or conveyed beyond the confines of this State for any such purposes. This section shall not apply to any corporation engaged on July 3, 1909, in conveying or transmitting electric current beyond the confines of this State or chartered or empowered so to do, nor affect or impair any contracts then existing for the transmission of electric current beyond the confines of the State.

STATEMENT OF FACT

Generally, the federal statutes and regulations govern interstate commerce and wholesale electricity transactions. The Federal Power Act of 1920, codified as 16 USCA section 824, paragraph B provides in part that:

“ the provisions of this subchapter, subchapter II,shall notdeprive a State or a State Commission of its lawful authority now exercised over the exportation of hydroelectric energy which is transmitted across a state line...”

Maine and several other states had restrictive provisions in effect when the Federal Power Act was enacted. Maine's so-called Fernald Law, prohibiting the export of electricity generated by hydropower, was first enacted in 1909. It was repealed in 1955. It is the purpose of this bill to reestablish the prohibition on the out-of-state export of hydroelectric power in effect when the Federal Power Act was passed in 1920. Hydroelectric power is an economically stable, renewable energy source. The benefits of hydroelectric generation should accrue to those in the state where it is generated.