

# MAINE STATE LEGISLATURE

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1 SECOND REGULAR SESSION  
2

3 ONE HUNDRED AND ELEVENTH LEGISLATURE  
4

5 Legislative Document

No. 1829

6  
7 H.P. 1407

House of Representatives, January 4, 1984

8 Reference to the Committee on Public Utilities. Ordered printed and sent  
9 up for concurrence.

10 Approved for introduction by the Legislative Council pursuant to Joint  
Rule 26.

EDWIN H. PERT, Clerk

Presented by Representative Ridley of Shapleigh.  
11

12 STATE OF MAINE  
13

14 IN THE YEAR OF OUR LORD  
15 NINETEEN HUNDRED AND EIGHTY-FOUR  
16

17 AN ACT to Provide for Additional  
18 Considerations in Recovery of Costs of  
19 Canceled Plants.  
20

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

23 35 MRSA §52-A, as enacted by PL 1983, c. 243, §1,  
24 is amended to read:

25 §52-A. Recovery of cost of canceled or abandoned  
26 electric generating facility

27 1. Cost recovery restricted. The commission  
28 shall not, with respect to any canceled or abandoned  
29 electric generating facility, issue any order  
30 ~~concerning~~ which provides for the recovery from  
31 ratepayers of all or any portion of the cost of that  
32 facility until after the date last publicly announced  
33 prior to cancellation for completion of the plant by  
34 the lead participant. This section does not apply if

1 an electrical company can establish, as part of a  
2 proceeding initiated by it under section 64, that it  
3 will be unable to perform its public service or at-  
4 tract necessary capital on just and reasonable terms,  
5 absent a commission order at the conclusion of the  
6 proceeding under section 64 authorizing the current  
7 recovery of all or a portion of the cost from  
8 ratepayers, or that delaying the start of recovery  
9 would result in prohibiting the public utility from  
10 any reasonable opportunity for recovery of the value  
11 of those costs which were prudently incurred and  
12 which the commission found during a proceeding initi-  
13 ated by the utility under section 64 to be properly  
14 recoverable from ratepayers. In determining if delay-  
15 ing the start of recovery would prohibit a public  
16 utility from any reasonable opportunity for recovery  
17 of the value of these costs, the commission shall  
18 consider the costs associated with a delay in the  
19 start of recovery, as well as any costs associated  
20 with a canceled or abandoned electric generating fa-  
21 ility during the expected recovery period.

22 2. Exception. This section does not apply to  
23 any abandoned or canceled electrical generating fa-  
24 cility for which the commission has authorized a re-  
25 covery of any portion of the costs of that facility  
26 from ratepayers prior to the effective date of this  
27 section September 23, 1983, nor to any request for  
28 recovery of costs associated with an abandoned or  
29 canceled electrical generating facility the recovery  
30 of which would not fall within the definition of a  
31 "general increase in rates" as set forth in section  
32 64. Nothing in this section may be construed to lim-  
33 it any utility's right, at any time, to petition pur-  
34 suant to section 311 for temporary rate relief.

#### 35 STATEMENT OF FACT

36 The purpose of this bill is to allow the Public  
37 Utilities Commission to consider the ability of a  
38 public utility to recover canceled plant costs when  
39 the proposed date of completion of the plant is so  
40 many years in the future that the cost of "carrying"  
41 the expense is equal to or greater than the expense  
42 itself. Such a result defeats the legislative intent  
43 in the enactment of the Revised Statutes, Title 35,

1 section 52-A by the First Regular Session of the  
2 111th Legislature.

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