

# MAINE STATE LEGISLATURE

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1 SECOND REGULAR SESSION  
2

3 ONE HUNDRED AND TWELFTH LEGISLATURE  
4

5 Legislative Document

No. 1944

6  
7 S.P. 767

In Senate, January 27, 1986

8 Submitted by the Office of Public Advocate pursuant to Joint Rule 24.  
9 Reference to the Committee on Utilities suggested and ordered printed.

10 JOY J. O'BRIEN, Secretary of the Senate

Presented by Senator Baldacci of Penobscot.

Cosponsored by Senator Andrews of Cumberland, Representative Clark  
of Millinocket and Representative Vose of Eastport.

11  
12 STATE OF MAINE  
13

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

17 AN ACT to Require Closer Review of the  
18 Construction of Major Electrical  
19 Generating Projects.  
20

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

23 Sec. 1. 35 MRSA §13-A, 3rd ¶, as enacted by PL  
24 1971, c. 476, §1, is amended to read:

25 In its order the commission shall make specific  
26 findings with regard to the need for such facilities  
27 and if the commission finds that a need exists, it  
28 shall issue a certificate of public convenience and  
29 necessity for the facilities proposed. A certificate  
30 may include specific conditions governing the total  
31 projected cost of the facilities, the date of their  
32 completion or the nature of the financing arrange-  
33 ments for the facilities. In the event that any such  
34 condition is subsequently not met or is clearly like-  
35 ly not to be met, the commission may reopen its ear-  
36 lier decision concerning the facilities and may make

1 specific findings with regard to the continuing need  
2 for the facilities to the same extent and with the  
3 same authority as if an original petition was before  
4 it. The commission shall not reopen its decision for  
5 the sole reason that the likely cost of the completed  
6 facility is between 100% and 125% of the total cost  
7 projected at the time of the issuance of the certifi-  
8 cate of public convenience and necessity. The com-  
9 mission may, after notice and hearing, order the ter-  
10 mination or suspension of construction of the facili-  
11 ties or place other specific conditions upon contin-  
12 ued construction if good cause for the violation of  
13 the earlier condition is not demonstrated. If the  
14 commission orders or allows the erection of such fa-  
15 ilities, or requires the suspension or termination  
16 of construction when any condition of the original  
17 certificate no longer is satisfied, such order shall  
18 be subject to all other provisions of law and the  
19 right of any other agency to approve said facilities.

20       Sec. 2. 35 MRSA §13-B, 3rd ¶ is amended to read:

21       In its order, the commission shall make specific  
22 findings with regard to the need for such facilities  
23 and, if the commission finds that a need for the pur-  
24 chase or conversion exists, it shall issue a certifi-  
25 cate of public convenience and necessity for the pur-  
26 chase or conversion. In ruling upon a fuel conver-  
27 sion petition, the commission may consider the bene-  
28 fit to the public of any increased security of fuel  
29 supply which may result from the conversion. A cer-  
30 tificate may include specific conditions governing  
31 the total projected cost of the facilities or pur-  
32 chase, the duration of any entitlement, date of com-  
33 pletion or the nature of the financing arrangements.  
34 In the event that any such condition is subsequently  
35 not met or is clearly likely not to be met, the com-  
36 mission may reopen its earlier decision concerning  
37 the facilities or purchase and may make specific  
38 findings with regard to the continuing need for the  
39 facilities or purchase to the same extent and with  
40 the same authority as if an original petition was be-  
41 fore it. The commission shall not reopen its deci-  
42 sion for the sole reason that the likely cost of the  
43 completed facility is between 100% and 125% of the  
44 total cost projected at the time of the issuance of  
45 the certificate of public convenience and necessity.

1 The commission may, after notice and hearing, order  
2 the termination or suspension of construction of the  
3 facilities or place other specific conditions upon  
4 continued construction if good cause for the viola-  
5 tion of the earlier condition is not demonstrated.

6

#### STATEMENT OF FACT

7       During the proceedings before the Public Utili-  
8 ties Commission concerning the wisdom of the contin-  
9 ued participation of Maine utilities in the Seabrook  
10 project, a question was raised regarding the authori-  
11 ty of the Public Utilities Commission to either end  
12 or place limits upon the continued participation of  
13 the Maine utilities. This bill makes clear that in  
14 the future the Public Utilities Commission will have  
15 the power to specify the total allowed cost and date  
16 of completion for major construction projects before  
17 they begin. In addition, the commission will clearly  
18 have the power to order a cancellation of the project  
19 if it appears the project will be more than 25% over  
20 budget, absent a showing of good cause for the  
21 project's continuation.

22       This bill will set targets for utilities and al-  
23 low the Public Utilities Commission to terminate the  
24 involvement of Maine utilities in any severely  
25 troubled construction projects that may exist in the  
26 future.

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