

L.D. 306

(Filing No. S-116)

## STATE OF MAINE SENATE 114TH LEGISLATURE FIRST REGULAR SESSION

13 COMMITTEE AMENDMENT "<sup>A</sup>" to S.P. 158, L.D. 306, Bill, "An Act to Promote Conservation Purchases by Electric Utilities"

Amend the bill by striking out the title and inserting in 17 its place the following:

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> 'An Act to Create the Commission to Study the Possibility of Including the Cost of Environmental Impacts in the Least-cost Planning Process of Electrical Utilities and the Public Utilities Commission'

Further amend the bill by striking out everything after the title and before the statement of fact and inserting in its place the following:

'Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, every electrical energy resource alternative and every purchase of electricity result in environmental impacts; and

Whereas, decisions made by the Public Utilities Commission
regarding electrical energy resource alternatives have
significant environmental impacts; and

Whereas, the Public Utilities Commission currently cannot consider all of the comparative environmental impacts of
electrical generation or purchase proposals and alternatives to those proposals, including demand-side management, in the
least-cost planning process; and

Whereas, no state regulatory agency has the authority to consider the comparative environmental impacts of the energy
resources available to meet the State's demand for electricity; and

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COMMITTEE AMENDMENT "A" to S.P. 158, L.D. 306

 Whereas, decisions regarding the State's energy supply mix, including demand-side management, should include consideration of environmental impacts; and

5 Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of 7 Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and 9 safety; now, therefore,

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

Sec. 1. Commission established. 13 There is established the Commission to Study the Possibility of Including the Cost of 15 Environmental Impacts in the Least-cost Planning Process of Electrical Utilities and the Public Utilities Commission to study 17 the manner by which the Maine Public Utilities Commission shall consider the environmental impacts of electrical generation, 19 purchase and energy-efficiency options in the least-cost planning The commission shall consist of: process. two Senators appointed by the President of the Senate; 3 members of the House 21 of Representatives appointed by the Speaker of the House of 23 Representatives; a commissioner from the Public Utilities Commission or a designee; the Public Advocate or designee; 2 representatives of Maine's electric utilities appointed by the 25 Governor; one representative of the State's environmental 27 advocacy groups jointly appointed by the President of the Senate and the Speaker of the House of Representatives; 2 29 representatives of the State's cogeneration, small power production and end use efficiency industry appointed by the Governor; and one member of the public jointly appointed by the 31 President of the Senate and the Speaker of the House of 33 Representatives.

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Sec. 2. Chair. The chair shall be a Legislator selected by the members of the commission at the first meeting.

Sec. 3. Cooperation of other state agencies. The Department of Benvironmental Protection, the State Planning Office and the Public Utilities Commission shall advise and consult with the commission upon request.

 43 Sec. 4. Meetings. The commission shall hold an organizational meeting at the call of the chair of the Legislative Council
45 within 30 days of the effective date of this Act. The commission shall meet as needed to carry out the purposes of this Act.

Sec. 5. Study. This commission shall study:

1. The environmental impacts of the various forms of 51 electrical generation, purchase and energy efficiency;

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1 2. The consequences of using different geographical boundaries for assessing the cost of environmental impacts; 3 5 3. Mechanisms by which the environmental impacts of various forms of electrical energy resource alternatives can be taken 7 into account in decisions made by the Public Utilities Commission; Models by which the regulatory authorities in other 9 4. states consider the environmental impacts of decisions regarding 11 electrical energy resource alternatives; 13 5. Whether establishing a premium or deflator for of electrical production or particular forms savings is 15 reasonable; 17 6. Additional staffing necessary for consideration of environmental impacts by the Public Utilities Commission; and 19 Resolution of any conflict between consideration of 7. 21 environmental impacts by the Public Utilities Commission and existing provisions of state and federal law. 23 Sec. 6. Report. This commission shall report its findings and 25 recommendations to the Governor and the Legislature and shall report any necessary implementing legislation to the Joint Standing Committee on Utilities no later than December 15, 1989. 27 29 Sec. 7. Staff support. Staff support may be requested from the Legislative Council. 31 Sec. 8. Appropriation. The following funds are appropriated 33 from the General Fund to carry out the purposes of this Act. 1989-90 35 **LEGISLATURE** 37 **Study Commission - Funding** 39 41 Personal Services \$1,650 All Other 5,600 43 Provides funds for the per diem, meeting and 45 other expenses of the Commission to Study the Possibility of Including the Cost of 47 Environmental Impacts in the Least-cost Planning Process of Electrical Utilities and 49 the Public Utilities Commission.

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# LEGISLATURE TOTAL

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\$7,250

**Emergency clause.** In view of the emergency cited in the preamble, this Act shall take effect when approved.'

## STATEMENT OF FACT

This amendment recognizes the complexity of the issues raised by inclusion of environmental impacts in utility decision making. This amendment creates a commission to examine means by which the Public Utilities Commission can take environmental impacts of electrical generation and purchase, and demand-side management into account in its decision-making process.

Reported by Senator Bost for the Committee on Utilities. Reproduced and Distributed Pursuant to Senate Rule 12. (5/15/89) (Filing No. S-116)