

# 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)

2  
4  
6  
8  
10  
12  
14  
16  
18  
20  
22  
24  
26  
28  
30  
32  
34  
36  
38  
40  
42  
44  
46

STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
114TH LEGISLATURE  
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 1455, L.D. 2029, Bill, "An Act to Include Consideration of the Comparative Environmental Impacts of Energy Production in Utility Proceedings"

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

**'An Act to Require the Public Utilities Commission to Conduct an Analysis of the Comparative Environmental and Economic Impacts of Alternate Energy Resource Plans in Utility Proceedings'**

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, the Legislature finds that the Public Utilities Commission should immediately study the merits of alternative methods for including in the regulatory process consideration of comparative environmental and economic impacts of alternative energy resource plans; and**

**Whereas, in order to complete the study outlined in this Act and submit a report by April 1, 1991, the Public Utilities Commission must start as soon as possible; and**

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

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

2  
4  
6  
8  
10  
12  
14  
16  
18  
20  
22  
24  
26  
28  
30  
32  
34  
36  
38  
40  
42  
44  
46  
48  
50

**Sec. 1. Statement of legislative findings.** The Legislature finds that a reasonable state energy policy takes into account the environmental costs and benefits of alternative energy resource plans, as well as the economic costs and benefits. The Legislature also finds that the development of an appropriate method to implement such a policy requires careful consideration of a number of substantive and procedural issues and that the failure to design an appropriate method may preclude or delay the development of reasonable alternatives and increase rates to electric ratepayers without a commensurate environmental benefit. Because the implementation of the policy may substantially alter the current regulatory process established by the Legislature, the proposed method should be subject to legislative review before it becomes effective.

**Sec. 2. Public Utilities Commission analysis.** The Public Utilities Commission shall undertake an analysis of the extent to which the environmental and economic impacts of alternative energy resource plans should be included in the electric energy planning process subject to the commission's jurisdiction. The analysis by the commission must:

1. Identify and describe any deficiencies in the ability of the State's current environmental and utility regulatory process to consider and reflect the environmental and economic costs and benefits of alternative energy resource plans;

2. Investigate and describe various regulatory methods to incorporate environmental and economic impacts in the consideration of alternative energy resource plans, including a review of the methods used in other states. The analysis must address the following with respect to each method:

A. The statutory and regulatory structure into which the method was introduced;

B. The administrative procedures used, including a description of the process, the participants and the nature of their participation, the burden of the process on the regulatory authority and the participants, the time and resources consumed in the process and the effectiveness of the process;

C. The effects of implementation of each method on electric rates; and

D. The resulting environmental and economic benefits to ratepayers and the State; and

2 3. Develop and describe the specific elements of a proposed  
method to incorporate environmental and economic impacts in the  
4 State's energy planning process and a plan for implementation of  
the method, including:

6 A. The administrative procedures and process;

8 B. An assessment of the burdens and costs on participants  
10 in the process;

12 C. The effects on ratepayers; and

14 D. The environmental and economic benefits to ratepayers  
and the State.

16 **Sec. 3. Consultation and cooperation with other agencies.** In  
conducting this analysis, the Public Utilities Commission shall  
18 consult with the State Planning Office, the Department of  
Environmental Protection, the Public Advocate, electric  
20 utilities, customers of electric utilities, environmental  
organizations and developers of alternative energy resources.

22 **Sec. 4. Report.** The Public Utilities Commission shall report  
24 its findings to the Joint Standing Committee on Utilities by  
April 1, 1991. A copy of that report must be submitted to the  
26 Office of the Executive Director of the Legislative Council. If  
the commission concludes that it should have the authority to add  
28 environmental and economic impacts to the elements the commission  
currently considers in its regulation of electric energy  
30 planning, the commission shall submit a plan that describes the  
manner in which the commission proposes to implement the policy.  
32 The report must also be accompanied by legislation to implement  
the plan.

34 **Sec. 5. Assistance.** The Public Utilities Commission may  
36 contract for services to complete this analysis.

38 **Emergency clause.** In view of the emergency cited in the  
preamble, this Act takes effect when approved.

40  
42 **FISCAL NOTE**

44 The Public Utilities Commission will incur some minor  
additional costs to conduct the analysis and report to the Joint  
46 Standing Committee on Utilities. These costs can be absorbed  
within existing budgeted resources.'

48

2

**STATEMENT OF FACT**

4

6           This amendment replaces the original bill with a requirement  
8           that the Public Utilities Commission conduct an analysis of  
10           methods to include consideration of the environmental and  
12           economic impacts of alternative energy resource plans in utility  
            energy planning. The commission is required to report the  
            results of the analysis, including proposed legislation, to the  
            Joint Standing Committee on Utilities by April 1, 1991. This  
            amendment also adds a fiscal note.

Reported by the Committee on Utilities  
Reproduced and distributed under the direction of the Clerk of the  
House  
3/14/90                                      (Filing No. H-925)