# MAINE STATE LEGISLATURE

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## 115th MAINE LEGISLATURE

## SECOND REGULAR SESSION-1992

### Legislative Document

No. 2288

H.P. 1625

House of Representatives, February 4, 1992

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 26. Reference to the Committee on Utilities suggested and ordered printed.

EDWIN H. PERT, Clerk

Presented by Representative GRAY of Sedgwick.

Cosponsored by Representative CROWLEY of Stockton Springs, Senator FOSTER of Hancock and Senator McCORMICK of Kennebec.

#### STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND NINETY-TWO

An Act to Require a Total Least-cost Energy Plan and to Establish a Moratorium on Fossil-fuel Fired Electric Generation Facilities in This State.

(EMERGENCY)

Comment of the commen

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

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Whereas, a fossil-fuel fired electric generation plant has been proposed for a location on Maine's coast and others may be proposed; and

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Whereas, fossil-fuel fired electric generation plants have not been constructed in the State in recent years and fossil-fuel fired electric generation plants may be an inappropriate energy source for this State; and

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Whereas, the application of existing laws and rules will be inadequate to protect the State and the public from serious harm if new plants are licensed, constructed or operated prior to the implementation of a total least-cost energy policy that considers the harmful effects of air pollution and the threat of global warming; and

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Whereas, a moratorium on fossil-fuel fired electric generation plants must be imposed before the expiration of the 90-day period in order that the implementation of such a comprehensive policy can be completed; and

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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:

Sec. 1. 35-A MRSA §3191, as enacted by PL 1987, c. 671, §2,
 is amended to read:

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#### §3191. Energy policy

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The Legislature finds that it is in the best interests of the State to ensure that Maine and its electric utilities pursue a total least-cost energy plan policy. The Legislature further finds that a total least-cost energy plan policy takes into account many factors including cost, risk, diversity of supply and, exhaustion of nonrenewable resources, all available alternatives, including purchases of power from Canadian sources, and factors that have an external or delayed cost such as increased air pollution or effects on human health or other larger scale environmental effects. When the available alternatives are otherwise equivalent, the commission shall give preference first to conservation and demand management, then to

power from sources that do not contribute to air pollution or that significantly lower existing levels of air pollution or from sources that do not increase or that significantly lower the State's contribution to large scale environmental problems and then to other power purchased from qualifying facilities. Nothing in this section is intended to modify the commission's authority under section 3133, subsection 9.

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- Sec. 2. Rules; Public Utilities Commission report. The Public Utilities Commission shall adopt rules to implement a total least-cost energy policy as a component of all commission determinations pending on or after the effective date of this The commission shall report to the joint standing committee of the Legislature having jurisdiction over utilities matters by January 1, 1993, concerning the implementation of the policy established by this Act and whether the moratorium established by Act needs to be continued to allow least-cost energy policy. implementation of a total commission shall also recommend any other statutory changes necessary to allow for full implementation of the policy.
- Sec. 3. Moratorium on permits. Notwithstanding any other provision of law, a state or municipal permit may not be issued for the operation of a fossil fuel fired electric generation plant before October 15, 1993.

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Sec. 4. Moratorium on construction and operation. Notwithstanding any other provision of law, construction or operation of any fossil fuel fired electric generation plant may not begin before October 15, 1993.

Sec. 5. Application. Notwithstanding the Maine Revised Statutes, Title 1, section 302 and Title 38, section 344, this Act applies to any application pending before the Department of Environmental Protection or any municipality on or after the effective date of this Act.

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

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#### STATEMENT OF FACT

This bill establishes a total least-cost energy plan that continues the existing preference for conservation and demand management and then gives preference to electric generation facilities that significantly reduce the harmful effects of air pollution and the threat of global warming such as solar and wind electric generation facilities. The bill also imposes a moratorium on the permitting, construction or operation of

fossil fuel fired electric generation plants until February 1, 2 1993 and provides for a report by the Public Utilities Commission by January 1, 1993 so that the Legislature can determine whether an extension of the moratorium or enactment of other measures to fully implement a total least-cost energy policy is necessary.