



115th MAINE LEGISLATURE

SECOND REGULAR SESSION-1992

Legislative Document

No. 2395

S.P. 936

In Senate, March 2, 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.

JOY J. O'BRIEN Secretary of the Senate

Presented by Senator CLEVELAND of Androscoggin Cosponsored by Senator WEBSTER of Franklin.

STATE OF MAINE

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

An Act Regarding Industrial Electrical Rates.

(EMERGENCY)

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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

Whereas, industry must remain viable to ensure the future of Maine; and

- 8 Whereas, the financial environment for industry must be hospitable to allow industry to thrive; and
- Whereas, industry is being crippled by the costs of electricity; and

14 Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of 16 Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and 18 safety; now, therefore,

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

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Sec. 1. 35-A MRSA §3154, sub-§7 is enacted to read:

 7. Interruptible rates. In any rate design case conducted by the commission after April 1, 1992, the commission shall determine interruptible rates consistent with and by reference to its determination of utility peaking capacity costs.
Interruptible rates must be designed so as to encourage the long-term availability of interruptible resources.

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Sec. 2. 35-A MRSA §3191, as enacted by PL 1987, c. 671, §2, 32 is amended to read:

34 §3191. Energy policy

36 The Legislature finds that it is in the best interests of the State to ensure that Maine and its electric utilities pursue a least-cost energy plan. The Legislature further finds that a 38 least-cost energy plan takes into account many factors, including 40 cost, risk, diversity of supply and all available alternatives, including purchases of power from Canadian sources. When the available alternatives are otherwise equivalent, the commission 42 preference first conservation shall qive to and demand management, including interruptible capacity resources, and then 44 to power purchased from qualifying facilities. Nothing in this section is intended to modify the commission's authority under 46 section 3133, subsection 9.

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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 provides that, in any rate design case conducted 4 by the Public Utilities Commission after April 1, 1992, the commission shall determine interruptible rates consistent with 6 and by reference to its determination of utility peaking capacity costs.

The bill also amends the State's energy policy to recognize 10 interruptible capacity resources as a component of demand management.

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