

MAINE STATE LEGISLATURE

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116th MAINE LEGISLATURE

FIRST REGULAR SESSION-1993

Legislative Document

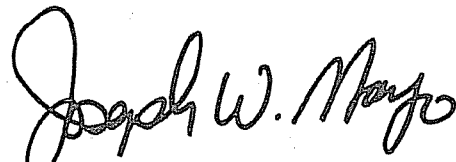
No. 305

H.P. 237

House of Representatives, February 4, 1993

**An Act to Require the Public Utilities Commission to Include
Externalities in Least-cost Planning Procedures.**

Reference to the Committee on Utilities suggested and ordered printed.


JOSEPH W. MAYO, Clerk

Presented by Representative KONTOS of Windham.

Cosponsored by Representatives: ADAMS of Portland, GRAY of Sedgwick, HEESCHEN of Wilton, HOLT of Bath, SIMONDS of Cape Elizabeth, TREAT of Gardiner.

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

2 **Sec. 1. 35-A MRSA §3191**, as amended by PL 1991, c. 769, §2,
4 is further amended to read:

6 **§3191. Energy policy**

8 The Legislature finds that it is in the best interests of
10 the State to ensure that Maine and its electric utilities pursue
12 a least-cost energy plan under which long-term environmental
14 effects are given full consideration. The Legislature further
16 finds that a least-cost energy plan takes into account many
18 factors, including cost, risk, environmental and health impacts,
20 diversity of supply and all available alternatives, including
22 purchases of power from Canadian sources. When the available
24 alternatives are otherwise equivalent, including in terms of the
costs to the State's environment and public health in this State
that, in the judgment of the commission, are not presently
incorporated in cost projections for each resource, the
commission shall give preference first to conservation and demand
management, including interruptible capacity resources, and then
to power purchased from qualifying facilities. Nothing in this
section is intended to modify the commission's authority under
section 3133, subsection 9.

26 **Sec. 2. 35-A MRSA §3192** is enacted to read:

28 **§3192. Rules**

30 The commission shall adopt by rule weighting factors that
32 establish the relative long-term risks and benefits to the
State's environment and public health of each major energy
34 resource likely to receive consideration in a utility's
least-cost energy plan, including, but not limited to,
36 utility-sponsored conservation; demand management measures for
each customer class; wind generation; oil-fired,
38 natural-gas-fired and coal-fired generation; hydroelectric
generation; and nuclear power.

40 When an electric utility selects among projects proposed as
42 resources for energy or capacity under section 3132, 3133 or
3133-A; the Electric Rate Reform Act; or the Small Power
44 Production Act, the electric utility shall employ the weighting
factors for environmental and public health effects that the
46 commission adopts by rule under this section.

STATEMENT OF FACT

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4 This bill requires that the Public Utilities Commissioner consider the long-term environmental effect of a least-cost energy plan.