

# MAINE STATE LEGISLATURE

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# 116th MAINE LEGISLATURE

FIRST REGULAR SESSION-1993

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Legislative Document

No. 448

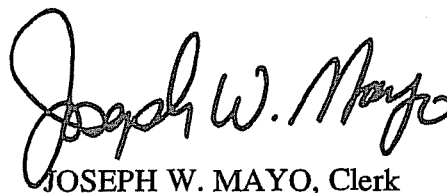
H.P. 345

House of Representatives, February 11, 1993

**An Act to Exempt Small Businesses from Demand Charges on Electric Rates.**

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Reference to the Committee on Utilities suggested and ordered printed.

  
JOSEPH W. MAYO, Clerk

Presented by Representative PLOURDE of Biddeford.

Cosponsored by Representatives: AHEARNE of Madawaska, BRUNO of Raymond, CAMERON of Rumford, CARON of Biddeford, CLEMENT of Clinton, COTE of Auburn, FARNUM of South Berwick, GRAY of Sedgwick, HEINO of Boothbay, HOGLUND of Portland, HUSSEY of Milo, JONES of Pittsfield, KERR of Old Orchard Beach, KONTOS of Windham, KUTASI of Bridgton, LARRIVEE of Gorham, LORD of Waterboro, MELENDY of Rockland, NADEAU of Saco, NASH of Camden, PARADIS of Augusta, POULIN of Oakland, REED of Dexter, SIMONDS of Cape Elizabeth, SIMONEAU of Thomaston, SPEAR of Nobleboro, STROUT of Corinth, SULLIVAN of Bangor, TARDY of Palmyra, VIGUE of Winslow, YOUNG of Limestone, Senators: GOULD of Waldo, HANDY of Androscoggin, LUTHER of Oxford, PARADIS of Aroostook, SUMMERS of Cumberland.

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

2  
4           Sec. 1. 35-A MRSA §3153-A, sub-§2 is enacted to read:

6           2. Demand charge exemption; small business. For each  
8           electric utility, the commission shall establish an electric rate  
10           class consisting of all nonresidential customers having 25 or  
12           fewer employees. In setting rates for that class, the commission  
14           shall determine the total energy costs and total demand costs  
16           directly attributable to that rate class. That portion of costs  
18           attributable to energy must be charged to customers in that rate  
20           class through a single energy rate. That portion of costs  
22           attributable to demand may not be charged to any customer in that  
24           rate class but must be distributed equitably among customers in  
26           all other rate classes.

28           For the purposes of this section, the term "energy costs"  
30           means the variable costs, including fuel costs, of producing the  
          energy delivered to the customer and the term "demand costs"  
          means the fixed costs of the facilities and equipment used to  
          produce and deliver electricity to the customers in that rate  
          class.

#### STATEMENT OF FACT

          This bill exempts small businesses with 25 or fewer  
employees from demand charges in electric rates.