

# MAINE STATE LEGISLATURE

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# 116th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1993

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Legislative Document

No. 540

H.P. 421

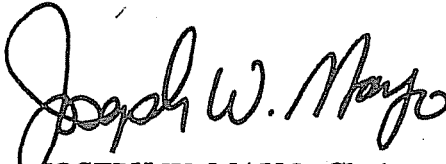
House of Representatives, February 17, 1993

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### **An Act Regarding the Use of Natural Gas in Motor Vehicles.**

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Reference to the Committee on Utilities suggested and ordered printed.

  
JOSEPH W. MAYO, Clerk

Presented by Representative KONTOS of Windham.  
Cosponsored by Representatives: GRAY of Sedgwick, HEESCHEN of Wilton, JACQUES of Waterville, MARSH of West Gardiner, SIMONDS of Cape Elizabeth, WENTWORTH of Arundel, Senator: CARPENTER of York.

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

Sec. 1. 35-A MRSA §102, sub-§8, as enacted by PL 1987, c. 141, Pt. A, §6, is amended to read:

8. **Gas utility.** "Gas utility" includes every person, ~~its~~ that person's lessees, trustees, receivers or trustees appointed by any court owning, controlling, operating or managing any gas plant for compensation within this State, except where ~~when~~ gas is made or produced on and distributed by the maker or producer through private property alone solely for its own tenants and not for sale to others, or where ~~when~~ the gas is sold solely for use in vehicles fueled by natural gas or when the gas is sold in liquid form in individual containers or is delivered in bulk in liquid form to a central tank that serves less than 10 customers and no portion of which is located in a public place.

Sec. 2. 35-A MRSA §4703-A is enacted to read:

**§4703-A. Natural gas for use in vehicles**

The following provisions govern rates for encouraging use of natural gas in vehicles.

**1. Special rates established.** Upon application of a gas utility, the commission shall establish special rates for sales of natural gas:

**A. Directly to customers for use in vehicles fueled by natural gas; and**

**B. To any customer of the utility who is engaged in the business of reselling the natural gas for use in vehicles fueled by natural gas.**

Any rate approved by the commission pursuant to this section must be designed to encourage the use of natural gas to fuel vehicles, except that the rate may not cause an increase in the base revenue requirement of the utility greater than an amount equal to 1% of the utility's operating expenses.

**2. Recovery of costs.** The commission shall allow a gas utility to include in its revenue requirement, for the purpose of recovery from its natural gas customers, all costs, charges and expenses attributable, either directly or indirectly, to the utility's services in connection with the use of natural gas to fuel vehicles.

**3. Marketing expenses.** The commission shall allow a gas utility to recover as normal operating expenses all marketing,

2        promotional and advertising expenses for the purpose of  
3        encouraging the use of natural gas as a motor vehicle fuel.

4        4. Limitation. The sale by a person, not otherwise a gas  
5        utility as defined in section 102, subsection 8, of natural gas  
6        directly to customers for use in vehicles fueled by natural gas  
7        is not subject to regulation by the commission.

10                                **STATEMENT OF FACT**

12                                This bill requires the Public Utilities Commission to  
13        establish a special rate for utility sales of natural gas for use  
14        in vehicles fueled by natural gas.