

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)



116th MAINE LEGISLATURE

FIRST REGULAR SESSION-1993

Legislative Document

No. 940

S.P. 307

In Senate, March 18, 1993

An Act to Minimize Electric Rates.

Reference to the Committee on Utilities suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by President DUTREMBLE of York.
Cosponsored by Senator CARPENTER of York and
Representatives: CASHMAN of Old Town, MORRISON of Bangor.

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

2
3 **Sec. 1. 35-A MRSA §3152, sub-§1, ¶B,** as amended by PL 1991, c.
4 253, §2, is further amended to read:

6 B. Encourage the commission to set electric rates to
7 promote the maximum efficient utilization of natural energy
8 resources existing in the State in order to promote the use
9 of indigenous energy resources to the extent that this will
10 reduce overall electric costs and rates; and

12 **Sec. 2. 35-A MRSA §3153-A, sub-§1,** as amended by PL 1991, c.
13 253, §4, is further amended to read:

14 **1. Proposals and programs developed.** The commission, as it
15 determines appropriate, shall order electric utilities to develop
16 and submit specific rate design proposals and related programs
17 for implementing energy conservation and efficiency techniques
18 and innovations, either in conjunction with or independent of any
19 rate-making proceeding pending before the commission. The
20 proposals, as the commission determines, must be designed to
21 encourage energy conservation, minimize the need for new
22 electrical generating capacity, minimize costs of and rates for
23 electricity to consumers and take into account the needs of
24 low-income customers, and must include, but are not limited to,
25 proposals that provide for the development and implementation of:

26 A. Load management techniques;

27 B. Rates that reflect marginal costs of services at
28 different voltages, times of day or seasons of the year,
29 including long-run marginal costs associated with the
30 construction of new electric generating facilities;

31 C. Policies that encourage economic use of fuel and the
32 maximum efficient utilization of natural energy resources
33 indigenous to the State;

34 D. Rates or other regulatory policies that encourage
35 electric utility system reliability;

36 E. Electric utility financing or subsidization of capital
37 improvements undertaken by ratepayers to conserve
38 electricity used by the ratepayers in the future. The
39 commission may approve and allow cost recovery for proposals
40 that result in savings in fuel other than electricity. This
41 paragraph applies to future programs for utility financing
42 of energy conservation or load management and to such
43 programs that the commission has already approved prior to
44 September 29, 1987;

2 F. As defined by the commission by rule, cost-effective
3 conversions of electric space heat systems to systems
4 relying on other fuels and other techniques for enabling
5 homeowners and tenants to replace on-peak, winter period
6 electric usage with less expensive sources of heat; and

8 G. Rates or bill payment assistance programs for
9 residential customers who have been certified eligible for
10 state or federal fuel assistance that take into account the
11 difficulty these customers have paying in full for electric
12 service or that target assistance to these customers in the
13 most efficient manner, taking into account the necessity of
14 maintaining electric service; and

16 H. Rates that allow incremental use or maintenance of
17 existing use when those rates serve to minimize rate levels
18 for all electric customers.

20

STATEMENT OF FACT

22

23 This bill encourages the Public Utilities Commission to
24 consider utility rate design proposals that have the potential to
25 minimize rates for all customers including rates that allow
26 consumer use of electricity when electricity is more efficient
than other sources of energy.