

MAINE STATE LEGISLATURE

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116th MAINE LEGISLATURE

FIRST REGULAR SESSION-1993

Legislative Document

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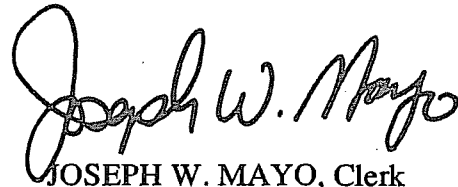
H.P. 703

House of Representatives, March 18, 1993

An Act to Provide Lower Electricity Costs to Utility Ratepayers.

(EMERGENCY)

Reference to the Committee on Utilities suggested and ordered printed.


JOSEPH W. MAYO, Clerk

Presented by Representative KONTOS of Windham.
Cosponsored by Representatives: CASHMAN of Old Town, CLARK of Millinocket,
DONNELLY of Presque Isle, Senator: VOSE of Washington.

Emergency preamble. Whereas, Acts of the Legislature do not
2 become effective until 90 days after adjournment unless enacted
as emergencies; and

4
Whereas, the economy of the State is deep in recession and
6 the skyrocketing cost of electricity has decreased employment,
curtailed economic growth and increased the cost of living for
8 all ratepayers; and

10
Whereas, Maine's electric utilities either own or have
access to surplus generating capacity for at least the next 2
12 years; and

14
Whereas, the public interest will be served by the immediate
establishment of a program to sell incremental electric energy to
16 eligible ratepayers at low cost to improve the economy and to use
existing resources wisely; and

18
Whereas, the vast majority of Maine's electricity consumers
20 will benefit by the immediate establishment of a program allowing
the purchase of additional or incremental amounts of energy at
22 marginal cost during the years 1993 and 1994, since increased
consumption of energy during these years will improve Maine's
24 economy and the program will make more efficient use of existing
electric-generating facilities; and

26
Whereas, in the judgment of the Legislature, these facts
28 create an emergency within the meaning of the Constitution of
Maine and require the following legislation as immediately
30 necessary for the preservation of the public peace, health and
safety; now, therefore,

32
Be it enacted by the People of the State of Maine as follows:

34
Sec. 1. 35-A MRS §3156 is enacted to read:

36
§3156. Short-term incremental energy sales to utility ratepayers

38
During the period from January 1, 1993 to December 31, 1994,
40 any electric utility ratepayer who received electric service at
one or more locations in this State for all of 1992 may purchase
42 incremental energy at the marginal cost of energy plus a service
fee of 5 mils per kilowatt hour. For the purposes of this
44 section, "incremental energy" means the number of kilowatt hours
purchased in any calendar year during the period from January 1,
46 1993 to December 31, 1994 in excess of the number of kilowatt
hours purchased by the ratepayer in calendar year 1992. Electric
48 utilities may establish tariffs containing rates for incremental
energy service that are diurnally and seasonally differentiated.
50 The commission may suspend operation of these tariffs upon a
determination that the public interest is no longer served by
52 operation of the tariffs.

2 **Emergency clause.** In view of the emergency cited in the
4 preamble, this Act takes effect when approved.

6 **STATEMENT OF FACT**

8 The purpose of this bill is to allow electric utility
10 ratepayers to purchase low-cost incremental energy in the years
1993 and 1994.