

MAINE STATE LEGISLATURE

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116th MAINE LEGISLATURE

FIRST REGULAR SESSION-1993

Legislative Document

No. 960

H.P. 709

House of Representatives, March 22, 1993

**An Act to Impose a Moratorium on Certain Sources of Energy until a
State Energy Policy Is Adopted.**

(EMERGENCY)

Reference to the Committee on Utilities suggested and ordered printed.

A handwritten signature in cursive script that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative GRAY of Sedgwick.
Cosponsored by Representatives: ADAMS of Portland, BOWERS of Washington, COFFMAN
of Old Town, HOLT of Bath, SAXL of Bangor, SWAZEY of Bucksport, WALKER of Blue
Hill, Senators: FOSTER of Hancock, GOULD of Waldo.

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

4
Whereas, an electric generation plant fired by fossil fuel
6 has been proposed for a location on Maine's coast and others may
be proposed; and

8
Whereas, electric generation plants fired by fossil fuel
10 have not been constructed in the State in recent years and
electric generation plants fired by certain fossil fuels may be
12 an inappropriate energy source for this State; and

14
Whereas, the application of existing laws and rules will be
inadequate to protect the State and the public from serious harm
16 if new plants are licensed, constructed or operated prior to the
implementation of a total least-cost energy policy; and

18
Whereas, a moratorium on electric generation plants fired by
20 certain fossil fuels must be imposed before the expiration of the
90-day period in order that the implementation of such a
22 comprehensive policy can be completed; and

24
Whereas, in the judgment of the Legislature, these facts
create an emergency within the meaning of the Constitution of
26 Maine and require the following legislation as immediately
necessary for the preservation of the public peace, health and
28 safety; now, therefore,

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

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

34 **§3191. Energy policy**

36
The Legislature finds that it is in the best interests of
38 the State to ensure that Maine and its electric utilities pursue
a total least-cost energy plan policy. The Legislature further
40 finds that a total least-cost energy plan policy takes into
account many factors, including cost, risk, diversity of supply
42 and all available alternatives, including purchases of power from
Canadian sources. When the available alternatives are otherwise
44 equivalent, the commission shall give preference first to
conservation and demand management, including interruptible
46 capacity resources, and then to power purchased from qualifying
facilities. The total least-cost energy policy established by
48 this section must be a component of commission determinations.
Nothing in this section is intended to modify the commission's
50 authority under section 3133, subsection 9.

2 **Sec. 2. Rules; Public Utilities Commission report.** The Public
Utilities Commission shall adopt rules to implement a total
4 least-cost energy policy as a component of all commission
determinations pending on or after the effective date of this
6 Act. The commission shall report to the Joint Standing Committee
on Utilities by March 1, 1995, concerning the implementation of
8 the policy established by this Act and whether the moratorium
established by this Act needs to be continued to allow for
10 complete implementation of a total least-cost energy policy. The
commission shall also recommend any other statutory changes
12 necessary to allow for full implementation of the policy.

14 **Sec. 3. Moratorium on permits.** Notwithstanding any other
provision of law, a state or municipal permit may not be issued
16 for the operation of a new electric generation plant fired by
fossil fuel, except for natural gas, before June 1, 1995.
18

Sec. 4. Moratorium on new construction and operation.
20 Notwithstanding any other provision of law, construction or
operation of a new electric generation plant fired by fossil
22 fuel, except for natural gas, may not begin before June 1, 1995.

24 **Sec. 5. Application.** Notwithstanding the Maine Revised
Statutes, Title 1, section 302 and Title 38, section 344, this
26 Act applies to any application pending before the Department of
Environmental Protection or any municipality on or after the
28 effective date of this Act.

30 **Emergency clause.** In view of the emergency cited in the
preamble, this Act takes effect when approved.
32

34 **STATEMENT OF FACT**

36 This bill establishes a total least-cost energy policy that
continues the existing preference for conservation and demand
38 management and which must be a component of all Public Utilities
Commission determinations. The bill also imposes a moratorium on
40 the permitting, construction or operation of electric generation
plants fired by fossil fuel, except for natural gas, until June
42 1, 1995 and provides for a report by the Public Utilities
Commission by March 1, 1995 so that the Legislature can determine
44 whether an extension of the moratorium or enactment of other
measures is necessary.
46