

MAINE STATE LEGISLATURE

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117th MAINE LEGISLATURE

SECOND REGULAR SESSION-1996

Legislative Document

No. 1793

S.P. 704

In Senate, February 20, 1996

An Act to Extend the Electric Rate Stabilization Projects.

(AFTER DEADLINE)

(EMERGENCY)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 27.
Reference to the Committee on Utilities and Energy suggested and ordered printed.

A handwritten signature in cursive script that reads "May M. Ross".

MAY M. ROSS
Secretary of the Senate

Presented by Senator KIEFFER of Aroostook.

Cosponsored by Senators: AMERO of Cumberland, CARPENTER of York, PARADIS of Aroostook, Representatives: AHEARNE of Madawaska, CLARK of Millinocket, CLUKEY of Houlton, DESMOND of Mapleton, DONNELLY of Presque Isle, KNEELAND of Easton, KONTOS of Windham, MARTIN of Eagle Lake, O'NEAL of Limestone, ROBICHAUD of Caribou, SIROIS of Caribou, WHEELER of Bridgewater.

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

4
6 **Whereas,** pursuant to current legislation, certificates of
approval for electric rate stabilization projects may not be
issued after February 1, 1996; and

8
10 **Whereas,** there continues to be a need for the approval of
electric rate stabilization projects; and

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

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

20 **Sec. 1. 35-A MRSA §3156, last ¶,** as amended by PL 1995, c. 120,
§2 and affected by §5, is further amended to read:

22 A certificate may not be issued under this section after
24 February 1, ~~1996~~ 1997.

26 **Sec. 2. PL 1993, c. 712, §8,** as amended by PL 1995, c. 120, §3,
is further amended to read:

28 **Sec. 8. Loans authorized.** The Finance Authority of Maine may
30 make loans to electric utilities for electric rate stabilization
projects, as defined in the Maine Revised Statutes, Title 10,
32 section 963-A from up to \$220,000,000 of the proceeds of revenue
obligation securities secured by capital reserve funds pursuant
34 to Title 10, section 1053. Notwithstanding any provision of
Title 10, chapter 110, loans may aggregate up to \$220,000,000
36 plus an amount determined by the Finance Authority of Maine of up
to an additional aggregate of \$44,000,000 to fund any capital
38 reserve fund established by the authority for these loans.
Revenue obligation securities secured by capital reserve funds
40 pursuant to Title 10, section 1053 relating to such loans may not
be issued for an electric rate stabilization agreement, as
42 defined in Title 35-A, section 3156, executed after ~~May 1, 1996~~
February 1, 1997. Any revenue obligation securities issued for
44 electric rate stabilization projects secured by capital reserve
funds pursuant to Title 10, section 1053 are limited obligations
46 of the Finance Authority of Maine payable from revenues from
borrowers and any capital reserve funds pledged for those
48 securities as those funds are administered under Title 10,
chapter 110, subchapter III and are not payable from any other
50 assets or funds of the Finance Authority of Maine. In addition

2 to all other applicable provisions, the requirements of Title 10,
section 1045-A apply to loans for electric rate stabilization
4 projects.

6 **Sec. 3. PL 1993, c. 712, §9,** as amended by PL 1995, c. 120, §4,
is further amended to read:

8 **Sec. 9. Reports.** The Finance Authority of Maine shall report
by February 1, 1996 and May 1, 1997 to the joint standing
10 committee of the Legislature having jurisdiction over utilities
matters on all loans made to electric utilities for electric rate
12 stabilization projects, as defined in the Maine Revised Statutes,
Title 10, section 963-A. The Each report must identify each loan
14 made, to whom the loan was made, the amount of the loan and the
general description of the electric rate stabilization project
16 for which the loan was made. The Each report may include
recommendations for extending the period during which loans to
18 electric utilities may be made or any other suggestions for
changes to the provisions of this Act. The Public Utilities
20 Commission shall report by February 1, 1996 and May 1, 1997 to
the joint standing committee of the Legislature having
22 jurisdiction over utilities matters on all electric rate
stabilization agreements for which an application for a
24 certificate of approval has been processed pursuant to Title
35-A, section 3156. The Each report must identify the number of
26 applications received by the commission, the identity of the
applicants, a general description of each application and, for
28 each application, whether the application was approved or
denied. The Each report may include recommendations for
30 extending the period during which certificates of approval may be
issued to electric utilities or any other suggestions for changes
32 to the provisions of this Act.

34 **Sec. 4. Retroactivity.** This Act applies retroactively to
February 1, 1996.

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

40 STATEMENT OF FACT

42 The bill extends from May 1, 1996 to February 1, 1997 the
44 period during which certificates of approval may be issued and to
February 1, 1997 the period during which loans may be made.

46 This bill also requires the Finance Authority of Maine and
48 the Public Utilities Commission to make an additional report to
the Legislature regarding electric rate stabilization project
50 loans and agreements.