

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)



121st MAINE LEGISLATURE

FIRST REGULAR SESSION-2003

Legislative Document

No. 811

H.P. 588

House of Representatives, February 20, 2003

An Act To Prevent the Gaming of Special Rate Contracts by Utilities

Reference to the Committee on Utilities and Energy suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative BERRY of Belmont.

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

2
4
6
8
10
12
14
16
18
20
22
24
26
28
30
32
34
36
38
40
42
44
46
48
50

Sec. 1. 35-A MRSA §3195, sub-§6, as amended by PL 1999, c. 398, Pt. A, §71 and affected by §§104 and 105, is further amended to read:

6. Rate flexibility. Notwithstanding sections 307 and 703, the commission, in an adjudicatory proceeding, may authorize a transmission and distribution utility to implement a program under which:

A. The utility may change its schedule of rates with limited notice to the commission; and

B. The utility may enter into contracts for the sale of transmission and distribution services and related management services with limited or no prior express approval by the commission.

The commission shall render its decision in any adjudicatory proceeding held for the purposes of authorizing a utility to implement a program consistent with this subsection within 9 months of the initiation of the proceeding. In the adjudicatory proceeding, the commission shall establish the terms and conditions under which a program is authorized under this subsection. The authority granted to the commission under this subsection is in addition to the authority of the commission granted under other provisions of this Title and nothing in this subsection may be construed to limit the authority of the commission under any other provision of this Title.

While a utility is operating under a rate-adjustment mechanism approved by the commission that provides certain limits on diesel deferral rates, for the duration of the mechanism the utility may not discontinue special or incentive rates to customers or groups of customers or refuse to renew contracts under paragraph B without customer consent.

SUMMARY

Maine's electric utilities are allowed to operate under rate-adjustment mechanisms for as long as 7 years. During those periods, rates for core customers can rise only in relation to a rate formula. While a utility is operating under a rate-adjustment mechanism approved by the commission that provides certain limits on diesel deferral rates, for the duration of the mechanism the utility may not discontinue special or incentive rates to customers or groups of customers or refuse to renew contracts under paragraph B without customer consent.