

MAINE STATE LEGISLATURE

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Revised

L.D. 1692

DATE: 3.24.04

(Filing No. S-447

UTILITIES AND ENERGY

Reported by: **MINORITY**

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STATE OF MAINE
SENATE
121ST LEGISLATURE
SECOND SPECIAL SESSION

COMMITTEE AMENDMENT "B" to S.P. 624, L.D. 1692, Bill, "An Act To Enhance Pine Tree Development Zones"

Amend the bill in section 2 in subsection 7-A by inserting after the first paragraph and before the blocked paragraph a new blocked paragraph to read:

'Stranded costs not recovered from qualified Pine Tree Development Zone businesses as a result of this subsection are not borne by other ratepayers but must be paid from a surcharge imposed by the commission on electricity generated in this State that is not needed to meet the electric demand of consumers in this State. The commission shall establish the surcharge on a periodic basis in an amount sufficient to pay transmission and distribution utilities the amount of stranded cost payments that would have been paid to the utilities by qualified Pine Tree Development Zone businesses but for the exemption provided by this subsection. The commission shall assess generators on the basis of electricity generation that the commission determines to be in excess of in-state electricity demand and shall collect the surcharge and make payment to transmission and distribution utilities in an administratively simple manner.'

Further amend the bill by inserting after section 2 the following:

'Sec. 3. 35-A MRSA §3210-A is enacted to read:

COMMITTEE AMENDMENT

R.S.

§3210-A. Electricity benefits

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Notwithstanding section 3210, the sale of electricity by a competitive electricity provider to a qualified Pine Tree Development Zone business established under Title 30-A is exempt from the requirements of that section and, at the request of the competitive electricity provider, sales to qualified Pine Tree Development Zone businesses must be excluded from any calculation by the commission to determine compliance with that section.'

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SUMMARY

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This amendment, which is the minority report of the Joint Standing Committee on Utilities and Energy, accomplishes the following.

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1. It provides that the sale of electricity to qualified Pine Tree Development Zone businesses is exempt from renewable portfolio requirements.

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2. It requires the Public Utilities Commission to establish a surcharge on electricity generated in this State that is not needed to meet the electric demand of consumers in this State. The surcharge is to be used to reimburse transmission and distribution utilities for stranded costs that are not collected from qualified Pine Tree Development Zone businesses as a result of the rate exemption established by the bill.

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FISCAL NOTE REQUIRED
(See attached)

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121st Maine Legislature
Office of Fiscal and Program Review

LD 1692

An Act To Enhance Pine Tree Development Zones



LR 2622(03)

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Utilities and Energy

Fiscal Note Required: Yes

Minority Report

B

Fiscal Note

Minor cost increase - Other Special Revenue Funds

Fiscal Detail and Notes

Additional costs to the Public Utilities Commission regarding utility rate reduction proceedings can be absorbed by the commission utilizing existing budgeted resources.