

MAINE STATE LEGISLATURE

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122nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2005

Legislative Document

No. 397

H.P. 300

House of Representatives, January 25, 2005

An Act To Promote the More Efficient Use of Natural Gas

Submitted by the State Planning Office pursuant to Joint Rule 204.
Reference to the Committee on Utilities and Energy suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative BLISS of South Portland.
Cosponsored by Senator BARTLETT of Cumberland and
Representatives: BRAUTIGAM of Falmouth, FITTS of Pittsfield, FLETCHER of Winslow,
RINES of Wiscasset.

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

4 **Sec. 1. 35-A MRSA §4711 is enacted to read:**

6 **§4711. Conservation programs**

8 1. Programs. Each natural gas utility in the State that
10 serves 5,000 or more residential consumers shall offer
12 conservation programs designed to promote the efficient use of
14 natural gas that are cost-effective pursuant to commission
16 rules. In determining whether a program is cost-effective, the
18 commission may consider the extent to which the program promotes
20 sustainable economic development or reduces greenhouse gas
22 emissions to the extent the commission can quantify or otherwise
reasonably identify such effects. Consistent with the other
requirements of this section, a gas utility, in adopting and
implementing conservation programs, shall seek to encourage
efficiency in natural gas use, provide incentives for the
development of new, energy-efficient business activity in the
State and take into account the cost and benefits of energy
efficiency and conservation to existing business activity in the
State.

24 A. The gas utility shall consider, without limitation,
26 conservation programs that:

28 (1) Increase consumer awareness of cost-effective
options for conserving energy;

30 (2) Create more favorable market conditions for the
32 increased use of efficient products and services; and

34 (3) Promote sustainable economic development and
reduced environmental damage.

36 B. The gas utility shall:

38 (1) Apportion at least 20% of available funds to
40 programs for low-income residential consumers, as
defined by the commission by rule;

42 (2) Apportion at least 20% of available funds to
44 programs for small business consumers, as defined by
the commission by rule; and

46 (3) To the greatest extent practicable, apportion the
48 remaining available funds in a manner that allows all
other customers to have a reasonable opportunity to
participate in one or more conservation programs.

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2 2. Cost recovery. The commission shall include in rates
for a gas utility all costs incurred in compliance with this
section and commission rules adopted under this section, as long
4 as such costs have been prudently incurred.

6 3. Funding level. Each gas utility to which this section
applies shall undertake energy efficiency programs designed to
8 operate within a budget, upon full implementation, that is no
less than 1% of the total revenues of the gas utility.

10 4. Rules. The commission shall adopt rules necessary to
12 implement this section. Rules adopted under this section are
routine technical rules as defined in Title 5, chapter 375,
14 subchapter 2-A.

16 5. Report. The commission shall report by December 1st of
each year to the joint standing committee of the Legislature
18 having jurisdiction over utilities and energy matters. The
report must include:

20 A. A description of actions taken by gas utilities pursuant
22 to this section, including descriptions of all conservation
programs implemented during the prior 12 months and all
24 conservation programs that the gas utilities plan to
implement during the next 12 months;

26 B. A description of how the commission determines the
28 cost-effectiveness of each conservation program and its
assessment of the cost-effectiveness of programs implemented
30 during the prior 12 months;

32 C. Total deposits into and expenditures from the program
fund during the prior 12 months and projected deposits into
34 and expenditures from the program fund during the next 12
months for each gas utility; and

36 D. Any recommendations for changes to the laws relating to
38 energy conservation by gas utilities.

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SUMMARY

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This bill requires gas utilities that serve at least 5,000
44 residential consumers to implement cost-effective conservation
programs that promote sustainable economic development and reduce
46 greenhouse gas emissions and other air pollutants. At least 40%
of available program funds must be apportioned among low-income
48 and small business customer programs, with the remainder
apportioned to conservation programs that are available to all
50 customers.