

MAINE STATE LEGISLATURE

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123rd MAINE LEGISLATURE

FIRST REGULAR SESSION-2007

Legislative Document

No. 1098

H.P. 816

House of Representatives, March 6, 2007

An Act To Promote Electricity Transmission Independence

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.

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

2 **Sec. 1. 35-A MRSA §3204-A** is enacted to read:

3 **§3204-A. Divestiture of transmission**

4 **1. Authority.** The commission may, after an adjudicatory hearing conducted
5 pursuant to section 1305, order a transmission and distribution utility to divest or
6 otherwise transfer control or operation of some or all of its transmission or transmission-
7 related assets if the commission finds that the utility constructed a transmission line
8 without approval pursuant to subsection 3 or the divestiture:

9 A. Will lower the costs of electricity to consumers in the State;

10 B. Will not have a negative impact on the operation of the transmission system; and

11 C. Is in the public interest.

12 **2. Independent transmission company.** If the commission orders a transmission
13 and distribution utility to divest or otherwise transfer control or operation of some or all
14 of its transmission or transmission-related assets pursuant to subsection 1, the
15 commission may order the transmission or transmission-related assets to be sold or
16 transferred to an independent transmission company approved by the Federal Energy
17 Regulatory Commission or a successor agency.

18 **3. Construction of transmission line without approval** The commission may
19 investigate pursuant to section 1303 if a transmission and distribution utility began
20 construction of a transmission line under federal authority after the commission declined
21 to issue a certificate of public convenience and necessity for the transmission line
22 pursuant to section 3132.

23 **4. Approval.** The terms of a divestiture or transfer of transmission or transmission-
24 related assets ordered to be divested or transferred pursuant to subsection 1 must receive
25 approval by order of the commission before the terms may be carried out.

26 **5. Compensation.** The commission shall ensure that a transmission and distribution
27 utility receives fair compensation for the transfer or divestiture of that utility's
28 transmission or transmission-related assets pursuant to this section.

29 **6. Timing.** A transmission and distribution utility must complete the divestiture or
30 transfer of transmission or transmission-related assets within 12 months of an order to
31 divest or transfer pursuant to subsection 1 unless the commission grants an extension.
32 The commission may grant an extension of time to comply with an order issued pursuant
33 to subsection 1 if the commission finds that the transmission and distribution utility
34 requesting the transfer has acted in good faith to complete the divestiture or transfer in a
35 timely manner.

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SUMMARY

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This bill allows the Public Utilities Commission to order the transfer or divestiture of a transmission and distribution utility's transmission or transmission-related assets if the commission finds it will lower costs of electricity to consumers in the State, will not have a negative impact on the operation of the transmission system and is in the public interest or if the commission finds that the utility constructed a transmission line without approval.