

MAINE STATE LEGISLATURE

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125th MAINE LEGISLATURE

FIRST REGULAR SESSION-2011

Legislative Document

No. 793

S.P. 231

In Senate, March 1, 2011

An Act To Protect Ratepayers While Enhancing Energy Independence and Security

Reference to the Committee on Environment and Natural Resources suggested and ordered printed.

Joseph G. Carleton Jr.

JOSEPH G. CARLETON, JR.
Secretary of the Senate

Presented by Senator SAVIELLO of Franklin.

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

2 **Sec. 1. 35-A MRSA §3143, sub-§3, ¶B,** as enacted by PL 2009, c. 539, §2, is
3 amended to read:

4 B. Deployment and integration into the electric system of renewable capacity
5 resources, as defined in section ~~3210-C~~ 3210, subsection ~~1~~ 2, paragraph ~~E~~ B-3, that
6 are interconnected to the electric grid at a voltage level less than 69 kilovolts;

7 **Sec. 2. 35-A MRSA §3210, sub-§2, ¶B-4,** as enacted by PL 2009, c. 542, §4, is
8 amended to read:

9 B-4. "New" as applied to any renewable capacity resource means a renewable
10 capacity resource that:

- 11 (1) Has an in-service date after September 1, 2005;
- 12 (2) Was added to an existing facility after September 1, 2005;
- 13 (3) For at least 2 years was not operated or was not recognized by the New
14 England independent system operator as a capacity resource and, after September
15 1, 2005, resumed operation or was recognized by the New England independent
16 system operator as a capacity resource; or
- 17 (4) Was refurbished after September 1, 2005 and is operating beyond its
18 previous useful life or is employing an alternate technology that significantly
19 increases the efficiency of the generation process.

20 For the purposes of this paragraph, "capacity resource" ~~has the same meaning as in~~
21 ~~section 3210-C, subsection 1, paragraph A~~ means a renewable capacity resource, an
22 electric generation resource other than a renewable capacity resource or a resource
23 that has demand response, interruptible or energy efficiency capacity recognized by
24 the commission.

25 **Sec. 3. 35-A MRSA §3210-C,** as amended by PL 2009, c. 518, §§1 to 6 and c.
26 542, §6, is repealed.

27 **Sec. 4. 35-A MRSA §3212, sub-§4-C,** as enacted by PL 2005, c. 677, Pt. B, §2,
28 is amended to read:

29 **4-C. Authority to establish various contract lengths and terms.** For the purpose
30 of providing over a reasonable time period the lowest price for standard-offer service to
31 residential and small commercial customers, the commission, with respect to residential
32 and small commercial standard-offer service, may, in addition to incorporating cost-
33 effective demand response and energy efficiency pursuant to subsection 4-B ~~and to the~~
34 ~~extent authorized in section 3210-C, incorporating the energy portion of any contracts~~
35 ~~entered into pursuant to section 3210-C,~~ establish various standard-offer service contract
36 lengths and terms.

37 **Sec. 5. Withdrawal from regional greenhouse gas initiative.**
38 Notwithstanding any other provision of law, the Department of Environmental Protection
39 shall take all necessary steps to withdraw the State from all memoranda of understanding

1 and state contracts with other states relating to the regional greenhouse gas initiative
2 authorized pursuant to the Maine Revised Statutes, Title 38, section 579 and chapter 3-B.
3 Upon successful completion of the withdrawal, the department shall submit legislation to
4 the Legislature making necessary changes to laws relating to the regional greenhouse gas
5 initiative.

6 **Sec. 6. Withdrawal from independent system operator.** The Public Utilities
7 Commission shall order Maine's 3 investor-owned transmission and distribution utilities
8 to take all steps necessary to end membership in the Independent System Operator New
9 England regional transmission organization and to file with the commission a plan to
10 form an alternative structure to hold, manage and dispatch the transmission assets of the
11 investor-owned transmission and distribution utilities and to oversee the wholesale
12 electricity market. The plan must, to the maximum extent possible, ensure the lowest
13 possible electricity prices for Maine consumers.

14 **SUMMARY**

15 This bill does the following.

16 1. It directs the Department of Environmental Protection to take all necessary steps
17 to withdraw the State from all memoranda of understanding and state contracts with other
18 states relating to the regional greenhouse gas initiative authorized pursuant to Maine law.
19 Upon successful completion of the withdrawal, the department is required to submit
20 legislation to the Legislature making necessary changes to laws relating to the regional
21 greenhouse gas initiative.

22 2. It directs the Public Utilities Commission to order Maine's 3 investor-owned
23 transmission and distribution utilities to take all steps necessary to end membership in
24 Independent System Operator New England and to file with the commission a plan to
25 form an alternative structure to hold, manage and dispatch the transmission assets of the
26 investor-owned transmission and distribution utilities and to oversee the wholesale
27 electricity market. The plan must, to the maximum extent possible, ensure that electricity
28 is provided to Maine consumers at the lowest available cost.

29 3. It removes the authority of the Public Utilities Commission to order transmission
30 and distribution utilities to contract for capacity resources.