

MAINE STATE LEGISLATURE

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125th MAINE LEGISLATURE

FIRST REGULAR SESSION-2011

Legislative Document

No. 870

S.P. 274

In Senate, March 8, 2011

An Act To Examine Electric Utility Regulation and Fees To Reduce Rates

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

Joseph G. Carleton Jr.

JOSEPH G. CARLETON, JR.
Secretary of the Senate

Presented by Senator THOMAS of Somerset.
Cosponsored by Representative DUNPHY of Embden and
Representatives: COTTA of China, HARVELL of Farmington, McKANE of Newcastle.

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

2 **Sec. 1. 5 MRSA §12004-I, sub-§93** is enacted to read:

3 **93.**

4 Public Advocate Electric Rate Not Authorized 35-A MRSA §1713
5 Evaluation Council

6 **Sec. 2. 35-A MRSA §1713** is enacted to read:

7 **§1713. Electric Rate Evaluation Council**

8 **1. Establishment.** The Electric Rate Evaluation Council, as established by Title 5,
9 section 12004-I, subsection 93 and referred to in this section as "the council," is created to
10 provide periodic review of the factors that influence electric rates, including electricity
11 purchase costs, transmission and distribution costs, regulatory costs, taxes and fees.

12 **2. Members.** The council is composed of:

13 A. The Public Advocate; and

14 B. Six members appointed by the Governor to serve 3-year terms that expire
15 December 31st:

16 (1) One member who is a representative of a large, investor-owned transmission
17 and distribution utility as defined in section 3201, subsection 12;

18 (2) One member who is a representative of a competitive electricity provider as
19 defined in section 3201, subsection 5;

20 (3) One member who is a representative of an eligible small generator as defined
21 in section 3201, subsection 8-A;

22 (4) One member who is a representative of a large industrial consumer of
23 electricity;

24 (5) One member who is a representative of a small business; and

25 (6) One person who is a representative of residential electricity customers.

26 Members under paragraph B may be reappointed for subsequent terms. A vacancy must
27 be filled for the remainder of the unexpired term in the same manner as an original
28 appointment.

29 **3. Chair.** The Public Advocate is chair of the council.

30 **4. Duties.** The council shall gather and compile information regarding the factors
31 that influence electric rates, including electricity purchase costs, transmission and
32 distribution costs, regulatory costs, taxes and fees. The council shall recommend a
33 process that provides for an evaluation of those costs, taxes and fees every 5 years and
34 shall make recommendations to the joint standing committee of the Legislature having
35 jurisdiction over energy, utilities and technology matters for repeal of any taxes, fees or

1 regulatory provisions that are not justified. The council may take any other appropriate
2 actions consistent with the purposes of this section.

3 **5. Staffing and expenses.** The Public Advocate within budgeted resources shall
4 provide reasonable staff support as requested by the council. Members of the council are
5 not entitled to compensation as provided in Title 5, section 12004-I.

6 **SUMMARY**

7 This bill establishes the Electric Rate Evaluation Council to conduct a review of
8 electric industry costs that go into the determination of electric rates and make
9 recommendations to the joint standing committee of the Legislature having jurisdiction
10 over energy, utilities and technology matters for repeal of any taxes, fees or regulatory
11 provisions that are not justified.