

MAINE STATE LEGISLATURE

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Date: 3-27-12

(Filing No. S-494)

MAJORITY

ENERGY, UTILITIES AND TECHNOLOGY

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**STATE OF MAINE
SENATE
125TH LEGISLATURE
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT “**A**” to S.P. 648, L.D. 1863, Bill, “An Act To Lower the Price of Electricity for Maine Consumers”

Amend the bill by striking out all of sections 1 and 2.

Amend the bill by striking out all of section 4 and inserting the following:

Sec. 4. 35-A MRS §3210-C, sub-§3, ¶C, as amended by PL 2011, c. 273, §1 and affected by §3 and amended by c. 413, §2, is repealed and the following enacted in its place:

C. Any available renewable energy credits associated with capacity resources contracted under paragraph A. The price paid by the investor-owned transmission and distribution utility for the renewable energy credits must be lower than the price received for those renewable energy credits at the time they are sold by the transmission and distribution utility.

Amend the bill in section 5 in subsection 4 in paragraph A in the 3rd line (page 3, line 23 in L.D.) by striking out the following: “price” and inserting the following: “cost”

Amend the bill in section 6 in subsection 5 by striking out the last 2 blocked paragraphs (page 4, lines 6 to 13 in L.D.)

Amend the bill by adding after section 6 the following:

Sec. 7. Commission request for proposals. The Public Utilities Commission shall, in accordance with the Maine Revised Statutes, Title 35-A, section 3210-C, request proposals for long-term contracts that will reduce the cost of electricity to ratepayers. The commission shall solicit proposals in a manner that does not exclude entities located outside this State or outside this country and, notwithstanding any requirements of Title 35-A, section 3210-C or any other provision of law, shall accept proposals that are contingent on modification of or accommodation under any otherwise applicable requirements of law. In its solicitation, the commission shall indicate that it will accept proposals that are contingent on modification of or accommodation under any otherwise applicable requirements of law. The commission shall examine the proposals and may

COMMITTEE AMENDMENT

1 direct a transmission and distribution utility to enter into a contract that does not require
 2 any modification of or accommodation under applicable laws. If the commission
 3 determines that an appropriate modification of or accommodation under any otherwise
 4 applicable requirement of law would result in a long-term contract that would be in the
 5 best interests of ratepayers and reduce the cost of electricity to ratepayers, the
 6 commission shall submit its recommendations for necessary changes to law to the joint
 7 standing committee of the Legislature having jurisdiction over energy, utilities and
 8 technology matters by March 15, 2013. The committee may report out a bill relating to
 9 the purposes of this section to the First Regular Session of the 126th Legislature.'

10 Amend the bill by relettering or renumbering any nonconsecutive Part letter or
 11 section number to read consecutively.

12 **SUMMARY**

13 This amendment, which is the majority report of the committee, does the following:

14 1. The amendment removes those sections of the bill that propose to remove the
 15 100-megawatt limit on certain renewable resources that qualify under the electricity
 16 portfolio requirements under the Maine Revised Statutes, Title 35-A, section 3210;

17 2. It retains the section of the bill that makes a technical correction to Title 35-A,
 18 section 3210-C, subsection 2;

19 3. It replaces the section of the bill that makes certain changes to the Public Utilities
 20 Commission's authority to enter into long-term contracts. It makes a technical change
 21 that resolves a conflict of laws but otherwise retains the substance of the current law;

22 4. It retains the section of the bill that makes certain modifications to the law
 23 prioritizing capacity resources for long-term contracts, but it clarifies that, consistent with
 24 other provisions of that law, the commission shall select resources that are anticipated to
 25 lower the cost of electricity to ratepayers;

26 5. It amends the portion of the bill imposing certain limits on long-term contracts: it
 27 retains the provision limiting contracts to no more than 25% of the total annual statewide
 28 electricity usage, but removes the other proposed limitations; and

29 6. It adds a provision directing the Public Utilities Commission to request proposals
 30 for long-term contracts that will reduce the cost of electricity to ratepayers. The
 31 commission is directed to solicit proposals in a manner that does not exclude entities
 32 located outside this State or outside this country and, notwithstanding any requirements
 33 of Title 35-A, section 3210-C or any other provision of law, must accept proposals that
 34 are contingent on modification of or accommodation under any otherwise applicable
 35 requirements of law. In its solicitation, the commission must indicate that it will accept
 36 proposals that are contingent on modification of or accommodation under any otherwise
 37 applicable requirements of law. The commission must examine the proposals and may
 38 direct a transmission and distribution utility to enter into a contract that does not require
 39 any modification of or accommodation under applicable laws. If the commission
 40 determines that an appropriate modification of or accommodation under any otherwise
 41 applicable requirement of law would result in a long-term contract that would be in the
 42 best interests of ratepayers and reduce the cost of electricity to ratepayers, the

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COMMITTEE AMENDMENT “ A ” to S.P. 648, L.D. 1863

1 commission must submit its recommendations for necessary changes to law to the joint
2 standing committee of the Legislature having jurisdiction over energy, utilities and
3 technology matters by March 15, 2013. The committee is authorized to report out a bill
4 relating to long-term contracts to the First Regular Session of the 126th Legislature.

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FISCAL NOTE REQUIRED

(See attached)



Approved: 03/22/12 *MCC*

125th MAINE LEGISLATURE

LD 1863

LR 2795(02)

An Act To Lower the Price of Electricity for Maine Consumers

Fiscal Note for Bill as Amended by Committee Amendment "A" S-494

Committee: Energy, Utilities and Technology

Fiscal Note Required: Yes

Fiscal Note

Minor cost increase - Other Special Revenue Funds

Fiscal Detail and Notes

Any additional costs to the Public Utilities Commission related to the provisions of this bill can be absorbed within existing budgeted resources.