MAINE STATE LEGISLATURE

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127th MAINE LEGISLATURE

FIRST REGULAR SESSION-2015

Legislative Document

No. 946

H.P. 649

House of Representatives, March 17, 2015

An Act To Change Laws Amended by Public Law 2013, Chapter 369, Also Known as the Omnibus Energy Act

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

ROBERT B. HUNT Clerk

R(+ B. Hunt

Presented by Representative DUNPHY of Embden.
Cosponsored by Senator MASON of Androscoggin and

Representatives: BEAVERS of South Berwick, HIGGINS of Dover-Foxcroft, O'CONNOR of Berwick, REED of Carmel, WADSWORTH of Hiram, Senator: WHITTEMORE of Somerset.

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

- **Sec. 1. 35-A MRSA §10111, sub-§2,** as amended by PL 2013, c. 369, Pt. A, §25, is further amended to read:
- **2. Funding level.** The natural gas conservation fund, which is a nonlapsing fund, is established to carry out the purposes of this section. The commission shall assess each gas utility, in accordance with the triennial plan, an amount necessary to capture all cost-effective energy efficiency that is achievable and reliable for consumers who are eligible to receive funds from the natural gas conservation fund. All amounts collected under this subsection must be transferred to the natural gas conservation fund. Any interest on funds in the fund must be credited to the fund. Funds not spent in any fiscal year remain in the fund to be used for the purposes of this section.
- The assessments charged to gas utilities under this section are just and reasonable costs for rate-making purposes and must be reflected in the rates of gas utilities. <u>Only those consumers whose rates reflect an assessment charged to a gas utility under this section are eligible for funding from the natural gas conservation fund. A large volume commercial or industrial customer, as defined by the commission by rule, may not be assessed under this subsection, except through a voluntary arrangement with the commission and the gas utility that serves that large volume commercial or industrial customer.</u>
- All funds collected pursuant to this section are collected under the authority and for the purposes of this section and are deemed to be held in trust for the purposes of benefiting natural gas consumers served by the gas utilities assessed under this subsection. In the event funds are not expended or contracted for expenditure within 2 years of being collected from consumers, the commission shall ensure that the value of those funds is returned to consumers.
- Rules adopted by the commission under this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.
- **Sec. 2. PL 2009, c. 615, Pt. A, §6, 3rd ¶ from the end,** as amended by PL 2013, c. 369, Pt. H, §1 and c. 378, §5, is further amended to read:

The commission may not approve any long-term contract under this section that would result in an increase in electric rates in any customer class that is greater than \$1.45 per megawatt hour and may not approve any contract that assesses any amount from transmission voltage level customers and subtransmission voltage level customers under this section. As used in this section, "transmission voltage level" and "subtransmission voltage level" have the same meaning as in Title 35-A, section 10110, subsection 6.

36 SUMMARY

This bill changes laws amended by Public Law 2013, chapter 369, also known as the Omnibus Energy Act. It provides that only consumers whose rates reflect an assessment that is charged to a gas utility and deposited in the natural gas conservation fund are eligible to receive funding from the fund. It exempts large volume commercial or

industrial customers from paying an assessment to be deposited in the fund except through a voluntary arrangement. It provides that the Public Utilities Commission may not approve a long-term contract to supply installed capacity and associated renewable energy and renewable energy credits from one or more deep-water offshore wind energy pilot projects or tidal energy demonstration projects that assesses any amount from transmission voltage level customers and subtransmission voltage level customers.