

MAINE STATE LEGISLATURE

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128th MAINE LEGISLATURE

SECOND REGULAR SESSION-2018

Legislative Document

No. 1895

H.P. 1328

House of Representatives, March 29, 2018

An Act Regarding Energy Costs

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

A handwritten signature in cursive script that reads "R. B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative WADSWORTH of Hiram. (GOVERNOR'S BILL)

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

2 **Sec. 1. 35-A MRSA §10111, sub-§2**, as amended by PL 2017, c. 282, §3, is
3 further amended to read:

4 **2. Funding level.** The natural gas conservation fund, which is a nonlapsing fund, is
5 established to carry out the purposes of this section. The commission shall assess each
6 gas utility, in accordance with the triennial plan, an amount necessary to capture all
7 cost-effective energy efficiency that is achievable and reliable for those consumers who
8 are eligible to receive funds from the natural gas conservation fund. The commission
9 shall direct a gas utility that collects any portion of the assessment under this subsection
10 from a customer that is a large-volume manufacturer to collect the assessment only on the
11 first 1,000,000 centum cubic feet of natural gas used by that manufacturer in each year.
12 The limitation on the collection of the assessment from large-volume manufacturers may
13 not affect the trust's determination of the amount necessary to capture all cost-effective
14 energy efficiency that is achievable and reliable. The limitation does not limit the
15 eligibility of a large-volume manufacturer to participate in a natural gas conservation
16 program. ~~All amounts collected under this subsection must be transferred to the natural
17 gas conservation fund. Any interest on funds in the fund must be credited to the fund.
18 Funds not spent in any fiscal year remain in the fund to be used for the purposes of this
19 section.~~

20 The assessments charged to gas utilities under this section are just and reasonable costs
21 for rate-making purposes and must be reflected in the rates of gas utilities.

22 ~~All funds collected pursuant to this section are collected under the authority and for the
23 purposes of this section and are deemed to be held in trust for the purposes of benefiting
24 natural gas consumers served by the gas utilities assessed under this subsection. In the
25 event funds are not expended or contracted for expenditure within 2 years of being
26 collected from consumers, the commission shall ensure that the value of those funds is
27 returned to consumers.~~

28 For purposes of this subsection, "large-volume manufacturer" means a customer that is a
29 gas utility ratepayer engaged in manufacturing in the State and purchases at least
30 1,000,000 centum cubic feet of natural gas per year.

31 Rules adopted by the commission under this subsection are routine technical rules as
32 defined in Title 5, chapter 375, subchapter 2-A.

33 **Sec. 2. 35-A MRSA §10111, sub-§5** is enacted to read:

34 **5. Use of funds.** All amounts collected under subsection 2 must be transferred to the
35 natural gas conservation fund, referred to in this subsection as "the fund." Any interest on
36 funds in the fund must be credited to the fund. Except as provided in paragraph B, funds
37 not spent in any fiscal year remain in the fund to be used for the purposes of this section.

38 A. All funds collected pursuant to subsection 2 are collected under the authority and
39 for the purposes of this section and are deemed to be held in trust for the purposes of
40 benefiting natural gas consumers served by the gas utilities assessed under subsection
41 2 or potential natural gas consumers of those gas utilities as provided in paragraph B.

1 B. Notwithstanding any provision of law, rule or commission determination to the
2 contrary, the trust shall remit any funds held in the fund more than 2 years after being
3 collected to gas utilities assessed pursuant to subsection 2. A gas utility receiving
4 funds pursuant to this paragraph may use those funds to assist residential or
5 commercial consumers or potential consumers in using natural gas for heating.

6 C. Any funds received by a gas utility pursuant to paragraph B and not expended or
7 contracted for the purposes permitted in paragraph B within one year of receipt of
8 those funds must be returned to the trust and the commission shall determine how
9 those unexpended or uncontracted funds are returned to consumers.

10 The commission may adopt routine technical rules pursuant to Title 5, chapter 375,
11 subchapter 2-A to implement the provisions of this subsection.

12 SUMMARY

13 Current law requires the Public Utilities Commission to assess a gas utility an amount
14 necessary to fund the natural gas conservation fund, a fund administered by the
15 Efficiency Maine Trust, which must be used to promote the efficient use of natural gas.
16 The assessment may be collected from consumers of the gas utility. The commission is
17 required to return the value of any funds collected but not used after 2 years to
18 consumers.

19 This bill requires the trust to remit any funds held in the fund more than 2 years after
20 being collected to gas utilities. A gas utility receiving such funds may use those funds to
21 assist residential or commercial consumers or potential consumers in using natural gas for
22 heating. If a utility does not use or contract for the use of such funds within one year of
23 receipt, the utility must return the funds to the trust and the commission is required to
24 determine how to return those unexpended funds to consumers.