

MAINE STATE LEGISLATURE

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129th MAINE LEGISLATURE

FIRST REGULAR SESSION-2019

Legislative Document

No. 1844

H.P. 1315

House of Representatives, June 18, 2019

**Resolve, Directing the Public Utilities Commission To Evaluate the
Ownership of Maine's Power Delivery Systems**

(EMERGENCY)

Reported by Representative BERRY of Bowdoinham for the Joint Standing Committee on
Energy, Utilities and Technology pursuant to Joint Order 2019, H.P. 1306.

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

ROBERT B. HUNT
Clerk

1 **Emergency preamble. Whereas,** acts and resolves of the Legislature do not
2 become effective until 90 days after adjournment unless enacted as emergencies; and

3 **Whereas,** 19 of every 20 Maine electricity customers are currently served by an
4 investor-owned transmission and distribution utility owned from a foreign nation; and

5 **Whereas,** the remaining Maine electricity customers are served by consumer-owned
6 utilities such as Kennebunk Light and Power District, Madison Electric Works, Houlton
7 Water Company and Eastern Maine Electric Cooperative; and

8 **Whereas,** an in-depth evaluation of the proposal contained in L.D. 1646, An Act To
9 Restore Local Ownership and Control of Maine's Power Delivery Systems, to create the
10 Maine Power Delivery Authority as a consumer-owned utility to acquire and operate the
11 transmission and distribution systems in the State currently owned by investor-owned
12 transmission and distribution utilities is needed before the Legislature acts on that
13 proposal;

14 **Whereas,** the evaluation must be initiated before the 90-day period expires in order
15 for the Public Utilities Commission to provide findings and recommendations for action
16 in the second regular session; and

17 **Whereas,** in the judgment of the Legislature, these facts create an emergency within
18 the meaning of the Constitution of Maine and require the following legislation as
19 immediately necessary for the preservation of the public peace, health and safety; now,
20 therefore, be it

21 **Sec. 1. Public Utilities Commission evaluation. Resolved:** That the Public
22 Utilities Commission shall evaluate the proposal for creation of the Maine Power
23 Delivery Authority as presented in L.D. 1646, An Act To Restore Local Ownership and
24 Control of Maine's Power Delivery Systems, referred to in this resolve as "the proposal."
25 The evaluation must include but is not limited to:

- 26 1. Analysis of the costs and benefits, both short-term and long-term, of the proposal;
- 27 2. Examination of legal, regulatory, technical, financial and operational issues related
28 to the proposal and its implementation;
- 29 3. Assessment of anticipated impacts, both positive and negative, of the proposal on
30 the State, including but not limited to impacts on electricity rates, utility employees and
31 ratepayers; and
- 32 4. Development of alternatives or amendments to the proposal to address any
33 identified obstacles to its implementation.

34 The commission shall contract with an independent consultant or consultants with
35 relevant expertise to assist the commission with the evaluation. For the purposes of this
36 section, "relevant expertise" includes, but is not limited to, expertise in utility valuation
37 and finance and other legal, regulatory, technical, financial and operational issues related
38 to the proposal. The commission may seek public input and may consult with the Office

1 of the Public Advocate and the Governor's Energy Office as needed to conduct the
2 evaluation.

3 **Sec. 2. Report. Resolved:** That, no later than February 15, 2020, the Public
4 Utilities Commission shall submit to the Joint Standing Committee on Energy, Utilities
5 and Technology a report on the evaluation required in section 1. The report must include
6 results, findings and recommendations from the evaluation, including suggested
7 amendments to the proposal and any other suggested legislation. The report must specify
8 which aspects of the evaluation have been completed and which, if any, require further
9 time and study.

10 **Sec. 3. Funding. Resolved:** That, notwithstanding the Maine Revised Statutes,
11 Title 35-A, section 117, subsection 3, paragraph B, or any other provision of law to the
12 contrary, the Public Utilities Commission shall use funds from the Public Utilities
13 Commission Reimbursement Fund, established in Title 35-A, section 117, to carry out the
14 requirements of this resolve.

15 **Sec. 4. Appropriations and allocations. Resolved:** That the following
16 appropriations and allocations are made.

17 **PUBLIC UTILITIES COMMISSION**

18 **Public Utilities - Administrative Division 0184**

19 Initiative: Provides an allocation for the cost of consulting services needed to evaluate a
20 proposal to create the Maine Power Delivery Authority.

21	OTHER SPECIAL REVENUE FUNDS	2019-20	2020-21
22	All Other	\$500,000	\$0
23		<hr/>	<hr/>
24	OTHER SPECIAL REVENUE FUNDS TOTAL	\$500,000	\$0

25 **Emergency clause.** In view of the emergency cited in the preamble, this
26 legislation takes effect when approved.

27 **SUMMARY**

28 This resolve directs the Public Utilities Commission to evaluate the proposal for
29 creation of the Maine Power Delivery Authority as presented in L.D. 1646, An Act To
30 Restore Local Ownership and Control of Maine's Power Delivery Systems. It requires the
31 commission to contract with an independent consultant or consultants with relevant
32 expertise to assist the commission with the evaluation. It requires the commission to
33 submit a report on the evaluation no later than February 15, 2020 that includes results,
34 findings and recommendations and specifies which aspects of the evaluation have been

1 completed and which require further study. The resolve authorizes the commission to use
2 funds from the Public Utilities Commission Reimbursement Fund to carry out the
3 required evaluation. The resolve includes an appropriations and allocations section.

4

FISCAL NOTE REQUIRED

5

(See attached)



129th MAINE LEGISLATURE

LD 1844

LR 2564(01)

Resolve, Directing the Public Utilities Commission To Evaluate the Ownership of Maine's Power Delivery Systems

Fiscal Note for Original Bill
Committee: Energy, Utilities and Technology
Fiscal Note Required: Yes

Fiscal Note

	FY 2019-20	FY 2020-21	Projections FY 2021-22	Projections FY 2022-23
Appropriations/Allocations				
Other Special Revenue Funds	\$500,000	\$0	\$0	\$0

Fiscal Detail and Notes

This resolve requires that the Public Utilities Commission evaluate and report back on the proposal to create the Maine Power Delivery Authority as presented in LD 1646, An Act to Restore Local Ownership and Control of Maine's Power Delivery System. This resolve includes a one-time allocation of \$500,000 to the PUC Reimbursement Fund to allow expenditures related to the cost of the evaluation. The PUC Reimbursement Fund has sufficient cash available to fund the additional allocation.