

MAINE STATE LEGISLATURE

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132nd MAINE LEGISLATURE

SECOND REGULAR SESSION-2026

Legislative Document

No. 2038

H.P. 1368

House of Representatives, December 5, 2025

An Act to Require Maine Transmission and Distribution Utility Participation in a Regional Transmission Organization

(EMERGENCY)

Submitted by the Office of the Public Advocate pursuant to Joint Rule 203.

Received by the Clerk of the House on December 3, 2025. Referred to the Committee on Energy, Utilities and Technology pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

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

ROBERT B. HUNT
Clerk

Presented by Representative KESSLER of South Portland.

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,** there is an immediate need to ensure that electricity rates charged to Maine
4 electricity ratepayers for transmission and distribution service in Maine are just and
5 reasonable; and

6 **Whereas,** the United States Courts of Appeals for the Sixth Circuit and Ninth Circuit
7 have recently issued decisions determining that electric utilities in states that require
8 membership in a regional transmission organization are not eligible to recover a special
9 bonus return on equity authorized under federal law for electric utilities that voluntarily
10 join a regional transmission organization; and

11 **Whereas,** the timeline for updating electricity rates by New England electric utility
12 owners, including those located in Maine, commences on June 15th of each year; and

13 **Whereas,** delay in the implementation of this legislation would cause significant harm
14 to Maine electricity ratepayers by allowing Maine electric utilities to continue to collect a
15 special bonus return on equity on their transmission assets, unnecessarily inflating
16 electricity rates paid by Maine electricity ratepayers; 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,

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

22 **Sec. 1. 35-A MRSA §2112** is enacted to read:

23 **§2112. Mandatory participation in regional transmission organization**

24 **1. Regional transmission organization; definition.** For the purposes of this section,
25 “regional transmission organization” means an independent entity authorized by the
26 Federal Energy Regulatory Commission to operate the regional transmission system and
27 administer wholesale electricity markets in accordance with federal law.

28 **2. Participation mandatory.** Except as provided in subsection 3, a transmission and
29 distribution utility may not own or control a transmission and distribution plant located in
30 the State unless the transmission and distribution utility participates in a regional
31 transmission organization.

32 **3. Exceptions.** The provisions of this section do not apply to:

33 **A. A consumer-owned transmission and distribution utility as defined in section 3501,**
34 **subsection 1; or**

35 **B. A transmission and distribution utility that owns or controls a transmission and**
36 **distribution plant located in an area of this State in which the retail electricity market**
37 **is administered by the independent system administrator for northern Maine.**

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

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SUMMARY

This bill makes it mandatory for transmission and distribution utilities to participate in a regional transmission organization. The bill provides an exception for consumer-owned utilities and for utilities located in an area of the State in which the retail electricity market is administered by the independent system administrator for northern Maine.