

LAWS

OF THE

STATE OF MAINE AS PASSED BY THE

ONE HUNDRED AND TENTH LEGISLATURE

SECOND SPECIAL SESSION

September 25, 1981

AND

THIRD SPECIAL SESSION December 9, 1981

AND

SECOND REGULAR SESSION January 6, 1982 to April 13, 1982

AND AT THE

FOURTH SPECIAL SESSION April 28, 1982 to April 29, 1982

AND AT THE

FIFTH SPECIAL SESSION May 13, 1982

PUBLISHED BY THE DIRECTOR OF LEGISLATIVE RESEARCH IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED, TITLE 3, SECTION 164, SUBSECTION 6.

> J.S. McCarthy Co. Augusta, Maine 1981

PUBLIC LAWS

OF THE

STATE OF MAINE

AS PASSED AT THE

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reorganizations from the requirements of subsection 3-A. The commission may, by general rules, waive the filing and necessity for approval of contracts and arrangements described in subsection 3 in cases of:

Sec. 7. Transitional provision. Title 35, section 104, as amended, applies to any reorganization pending on the date on which amendments to that section, adopted by the Second Regular Session of the 110th Legislature, enter into effect without regard to the date when any affected utility has sought appropriate regulatory sanction from the United States Securities and Exchange Commission or any other regulatory body. This includes the reorganization proposed by Central Maine Power Company. If the commission has reached a mutual agreement with any affected utility, with respect to any matter included in Title 35, section 104, prior to the effective date of this Act, it shall deem such an agreement to constitute a partial approval of the pending reorganization to the extent of that mutual agreement, and no affected utility may be required to apply, with regard to such matters, for further commission approval. Nothing in this transitional provision may affect the commission's authority to approve any portion of a pending reorganization on which no such mutual agreement has been reached prior to the effective date, nor may it authorize the commission to exercise jurisdiction with respect to any action by a utility that has been completed and put into effect which might have been deemed to be a reorganization.

Effective July 13, 1982.

CHAPTER 673

H.P. 2272 - L.D. 2119

AN ACT Requiring Public Utilities Commission Approval for the Purchase of Portions of Electrical Generating Facilities by Electrical Companies or Fuel Conversion in Electrical Generating Facilities.

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

Sec. 1. 35 MRSA §13-B is enacted to read:

<u>\$13-B.</u> Purchase of generating capacity, energy or transmission capacity or fuel conversion of generating facilities prohibited without prior order of the commission

<u>1. Certificate of public convenience and necessity.</u> <u>Commission approval is required as follows whenever any</u> electrical company proposes:

A. To purchase any right, title or interest in generating capacity, transmission capacity or energy, as defined in subsection 2; or

B. To convert a permanently installed generating facility of more than 1,000 kilowatts to use a type of fuel different from that which the facility currently is equipped to use.

The company shall file with the commission, no less than 2 months in advance of submitting its petition for a certificate of public convenience and necessity for the proposed purchase or conversion, a notice of its intent to file the petition. The notice shall inform the commission of the terms of the proposed purchase or conversion, and thereafter the commission may, by rule or otherwise, require the petitioner to make available such additional information as it deems necessary. The petition for a certificate of public convenience and necessity shall contain such information as the commission may by rule prescribe. The petition shall be set down for public hearing. The commission shall issue its order within 12 months after the petition is filed. If there is then outstanding for the utility a long-range plan approved pursuant to section 13-C, the commission shall issue its order within 9 months of filing. If an approved plan is outstanding, the utility need not provide an advance notice of its intent to file the petition. No electrical company may purchase any generating capacity, transmission capacity or energy as defined in subsection 2, or carry out a fuel conversion within the meaning of this section, unless the commission has issued a certificate of public convenience and necessity approving the petition.

In its order, the commission shall make specific findings with regard to the need for such facilities and, if the commission finds that a need for the purchase or conversion exists, it shall issue a certificate of public convenience and necessity for the purchase or conversion. In ruling upon a fuel conversion petition, the commission may consider the benefit to the public of any increased security of fuel supply which may result from the conversion.

The issuance of a certificate of public convenience and

necessity establishes that, as of the date of issuance of the certificate, the decision by the utility to purchase or convert was prudent.

2. Definitions. As used in this chapter, unless the context indicates otherwise, the following terms have the following meanings.

A. "Energy" is defined to include an entitlement to energy for a period greater than 3 years.

B. "Generating capacity" includes an entitlement to the output of 1,000 kilowatts or more of an electric generating facility or facilities for a period greater than 3 years.

C. "Transmission capacity" includes an entitlement to transmission services over a transmission line with a capacity greater than 100 kilovolts for periods greater than 3 years.

3. Exclusions. Nothing in this section may be construed to apply to any purchases made by an electrical company from any cogenerator or small power producer, as defined in chapter 172.

4. Filing fee. When the petition is filed, the utility or utilities involved shall pay to the Public Utilities Commission an amount equal to 2/100 of 1% of the estimated cost of the purchase or conversion.

Notwithstanding any other provision of law, filing fees paid as required here shall be segregated, apportioned and expended by the Public Utilities Commission for the purposes of this section.

Sec. 2. 35 MRSA §13-C is enacted to read:

§13-C. Long-range energy plan

1. Filing by electric companies. Every electric company whose total sales of electric energy for purposes other than resale exceeded 300 million kilowatt hours during any calendar year beginning after December 31, 1980, may submit to the Public Utilities Commission a long-range energy plan for the 15-year period subsequent to the date the plan is submitted. This plan shall include the company's annual peak-load forecasts, annual energy forecasts, projected annual fuel mix type and location of proposed generating facilities and alternatives, type and route of major proposed transmission lines and alternatives, and an analysis of the cost and financing of the plan, together with such other information as the commission may by rule require. The plan shall list and describe all the assumptions used by the company in formulating the plan required by this section.

2. Hearing and decision. The commission shall set down for public hearing each long-range energy plan filed in accordance with subsection 1. Notice of the hearing and opportunity to intervene shall be provided in accordance with the applicable provisions of the Maine Administrative Procedure Act, Title 5, chapter 375, and the commission's rules of practice and procedure. The commission shall issue a decision approving, disapproving or modifying each plan within one year after the filing of such energy plan in accordance with this subsection. Each long-range energy plan as approved or modified by the commission shall constitute the energy plan of each electric company which files such plan in accordance with section 1 and, unless altered as the result of judicial review or subsequently modified by commission order, shall represent the final finding of fact of the matters contained therein for the purposes of subsection 3.

3. Construction, purchase or conversion of electric generating facilities. If, at the time the commission issues an order granting a certificate of public convenience and necessity to a utility pursuant to section 13-B, there is in existence a long-range energy plan for the utility approved or modified by the commission 2 years or less before the date of the order, the certificate shall not be granted unless the facility subject to the granting of the certificate conforms to that plan. The findings by the commission, as embodied in its order under subsection 2, shall to the extent relevant represent the commission's findings of fact of the matters contained therein in any proceeding pursuant to section 13-B that is decided within 2 years from the date of the order.

Effective July 13, 1982.