

# MAINE STATE LEGISLATURE

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**LAWS**  
OF THE  
**STATE OF MAINE**

AS PASSED BY THE  
ONE HUNDRED AND ELEVENTH LEGISLATURE

**SECOND SPECIAL SESSION**

November 18, 1983

AND AT THE

**SECOND REGULAR SESSION**

January 4, 1984 to April 25, 1984

AND AT THE

**THIRD SPECIAL SESSION**

September 4, 1984 to September 11, 1984

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

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J.S. McCarthy Co., Inc.  
Augusta, Maine  
1986

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**PUBLIC LAWS**  
OF THE  
**STATE OF MAINE**

AS PASSED AT THE  
SECOND REGULAR SESSION  
of the  
ONE HUNDRED AND ELEVENTH LEGISLATURE  
JANUARY 4, 1984 TO APRIL 25, 1984

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## CHAPTER 723

H.P. 1760 - L.D. 2323

### AN ACT to Clarify Utility Financing of Energy Conservation.

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

Sec. 1. 35 MRSA §94, as amended by PL 1981, c. 305, is repealed and the following enacted in its place:

§94. The Public Utilities Commission shall require the necessary improvements

1. Rate design and conservation improvements. The Public Utilities Commission shall mandate, after notice and hearing on the proposed schedule, a scheduled phasing-in of the improvements in electric utility rate design and related regulatory programs approved under section 93 and is authorized to order utilities to develop and implement electric utility rate design improvements approved by the commission on temporary, pilot and experimental basis, affecting either a portion or all of any class of consumers of any utility as the commission may determine is appropriate to carry out the purposes of this Act, and order other energy conservation techniques, programs and innovations relating to electric public utility service that, in the commission's judgment, are practicable, just and reasonably related to fulfilling the purposes of this chapter. In ordering any rate design improvements or any other programs for implementing energy conservation techniques and innovations referred to in section 93, the commission shall consider and assure the revenue requirements of the utility.

2. Initial cost recovery. In assuring the revenue requirements of the utility with respect to programs for implementing energy conservation techniques or innovations, the commission shall, upon petition, permit the utility to adjust rates to recover the reasonable incremental costs associated with implementing those programs to the extent that the costs are not already reflected in the utility's existing rates and provided that that adjustment does not result in rates that are unjust or unreasonable. The adjustment shall include reasonable costs of all programs ordered under this chapter incurred as of the

time of the adjustment and reasonable estimated costs of operating the conservation programs.

3. Rules. Within 90 days of the effective date of this Act, the commission shall adopt rules implementing the requirements of subsection 2. Notwithstanding any other provision of this Title, such rules may include:

A. Procedures to periodically reconcile or adjust any rate adjustment ordered under subsection 2 or similar costs reflected in the utility's existing rates;

B. Procedures which provide incentives and disincentives for the effective implementation of this Act; and

C. Procedures to provide for the financial cost or benefit of under-collection or over-collection.

4. Federal standards. On its own initiative or during a rate proceeding, and to the extent that is feasible, the commission shall consider and adopt the federal standards established in the United States Public Utility Regulatory Policies Act of 1978, Public Law 95-617. If, and to the extent that, the commission should decide not to adopt any of the federal standards referred to in this section, it shall set forth fully and adequately the facts and the rationale supporting the rejection of the standards.

5. Load management devices. The Public Utilities Commission shall mandate, in any electric utility rate schedule approved or taking effect after January 1, 1983, a rate for any user who installs a load management device, approved by the commission, which reflects the savings to the utility resulting from the use of the device.

Sec. 2. Transition. Any electric utility subject to order to implement conservation programs under this chapter may apply to the commission for an interim rate adjustment under the Revised Statutes, Title 35, section 94, subsection 2, with respect to any charges incurred within 2 years prior to the effective date of this Act, whether or not a case ordering such implementation is pending before the commission on the effective date of this Act.

Effective July 25, 1984.

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