

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND TWELFTH LEGISLATURE

FIRST REGULAR SESSION

December 5, 1984 to June 20, 1985
Chapters 384-End

AND AT THE

FIRST SPECIAL SESSION

November 13, 1985

PUBLISHED BY THE DIRECTOR OF REVISOR OF STATUTES IN
ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED,
TITLE 3, SECTION 163-A, SUBSECTION 4.

J.S. McCarthy Co., Inc.
Augusta, Maine
1985

PUBLIC LAWS
OF THE
STATE OF MAINE

AS PASSED AT THE
FIRST REGULAR SESSION
CONTINUED

and

FIRST SPECIAL SESSION

of the

ONE HUNDRED AND TWELFTH LEGISLATURE

1985

1986-87

LEGISLATURE

Legislature
Personal Services \$25,500

MAINE STATE RETIREMENT SYSTEM

Legislative Retirement
All Other \$ 3,500

Effective September 19, 1985.

CHAPTER 508

S.P. 370 - L.D. 1004

**AN ACT to Establish a Spent Nuclear Fuel
Disposal Trust Fund.**

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

35 MRSA c. 269, sub-c. VI is enacted to read:

SUBCHAPTER VI

SPENT FUEL DISPOSAL

§3391. Definitions

As used in this subchapter, unless the context indicates otherwise, the following terms have the following meanings.

1. Licensee. "Licensee" means the holder of the operating permit from the United States Nuclear Regulatory Commission for a nuclear power plant.

2. Nuclear power plant or plant. "Nuclear power plant" or "plant" means a nuclear fission thermal power plant.

3. Owner. "Owner" means any electrical company which owns any portion of a nuclear power plant, whether directly or indirectly, through ownership of stock in a company which owns any portion of a nuclear power plant, through membership in a holding company which owns any portion of a nuclear power plant or through other means.

4. Spent nuclear fuel disposal. "Spent nuclear fuel disposal" means the activities undertaken to safely dispose of spent nuclear fuel offsite and in compliance with all applicable state and federal laws.

5. Trustee. "Trustee" means a fiduciary as defined under Title 18-A, section 1-201, which fiduciary shall administer the spent fuel disposal trust funds subject to sections 3392 and 3393 and in accordance with Title 18-A, Article VII.

6. Trust fund or fund. "Trust fund" or "fund" means a trust fund established as described in section 3392 to hold money for the eventual purpose of spent nuclear fuel disposal.

§3392. Spent Nuclear Fuel Disposal Trust Fund

1. Established. Any licensee operating a nuclear power plant in this State shall establish by January 1, 1986, a segregated Spent Nuclear Fuel Disposal Trust Fund in accordance with this subchapter for the eventual disposal of spent nuclear fuel resulting from the use of that fuel before April 7, 1983. The licensee shall make payments into the fund in accordance with a schedule based on sound financial practices designed to accumulate sufficient money to make the payments to the United States Department of Energy in the manner described in subsection 5. The licensee shall also review the schedule at least annually to determine if the level of deposits in the fund remains reasonably capable of accumulating appropriate money for application to these payments.

2. Financing agreement. The licensee shall file with the Public Utilities Commission by January 1, 1986, a fully executed spent nuclear fuel financing agreement between the licensee and each owner, evidencing each owner's acceptance of its respective share of the ultimate financial responsibility for spent nuclear fuel. In satisfaction of this requirement, the licensee may submit existing ownership agreements together with documentation from each owner of the applicability of the agreement to the case of financial responsibility for spent nuclear fuel.

3. Trustee. The licensee shall select a trustee or trustees to manage the money within the fund in order to ensure that it will be available when needed. Preference may be given to financial institutions incorporated in the State if such a determination can be made consistent with the fiduciary responsibility of the trustees. The licensee may change trustees at any time upon appropriate notice. Trust-

ees shall be subject to the same duties and may exercise the same powers as trustees under Title 18-A, Article VII, to the extent that they are not inconsistent with this subchapter. The trustee may appoint subsidiary financial managers, subject to the approval of the licensee.

4. Restrictions. The following restrictions apply to the Spent Nuclear Fuel Disposal Trust Fund.

A. The Spent Nuclear Fuel Disposal Trust Fund shall be segregated from the licensee's assets and administered by an independent trustee in accordance with this subchapter.

B. The fund may be invested only in secure assets with maturity no later than the announced or reasonably projected date for the making of the payments required under this section, as follows:

(1) Bonds, notes or other obligations issued or fully guaranteed by the full faith and credit of the Federal Government or by any agency or instrumentality of the United States;

(2) Bonds, notes or other obligations issued or fully guaranteed by the full faith and credit of any agency, instrumentality or political subdivision of any state, provided that the investment security is rated within the 2 highest grades by any rating service approved by the Superintendent of Banking;

(3) Bonds and other obligations of any corporation organized under the laws of the United States or any state provided, at the time of purchase, the investment security is rated within 2 highest grades by any rating service approved by the Superintendent of Banking; and

(4) Money Market Funds or similar investment vehicle of the trustee's choice, but only as a temporary investment where it is not practical to invest any amount in the fund in the investments described in subparagraphs (1) to (3).

The funds shall not be invested in the securities of the owner of any nuclear power plant.

C. Income to the fund shall be reinvested for

the benefit of the fund or used to pay the reasonable expenses of administration of the fund.

5. Expenditures from the fund. The trustee shall make payments from the fund to the United States Department of Energy in accordance with the Nuclear Waste Policy Act of 1982 and any contract between the licensee and the department under that Act for the disposal of all spent nuclear fuel used prior to April 7, 1983.

6. Sunset. After payment of all fees in accordance with subsection 5, the fund shall be dissolved expeditiously and this subchapter is repealed.

Any assets remaining in the fund shall be returned, in proportion to their payments, to the owners and any other persons who originally made payments to the licensee for the fund. Any amounts returned to the electric utilities within the State will be subject to ultimate rate treatment by the commission. No portion of the remaining assets in the fund may accrue to the benefit of the licensee.

§3393. Report; audit

1. Initial report. The licensee shall report to the Public Utilities Commission upon the establishment of the fund. That report shall include the relevant trust agreement, spent nuclear fuel disposal contract and other appropriate documentation.

2. Annual reports. The trustee of the Spent Nuclear Fuel Disposal Trust Fund shall report at least annually to the licensee on the status of the fund. The licensee shall report the information in reasonable detail annually to the Governor and the Public Utilities Commission. The reports shall contain a reasonable itemization of all administrative expenses.

3. Audit. The licensee shall cause an annual audit to be made of the Spent Nuclear Fuel Disposal Trust Fund.

Effective September 19, 1985.
