# MAINE STATE LEGISLATURE

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### **LAWS**

### **OF THE**

# **STATE OF MAINE**

AS PASSED BY THE

ONE HUNDRED AND NINETEENTH LEGISLATURE

SECOND REGULAR SESSION January 5, 2000 to May 12, 2000

THE GENERAL EFFECTIVE DATE FOR SECOND REGULAR SESSION NON-EMERGENCY LAWS IS AUGUST 11, 2000

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

> J.S. McCarthy Company Augusta, Maine 2000

Whereas, this Act contains the necessary legislation to protect certain coastal waters; and

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

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

### Sec. 1. 12 MRSA §6959 is enacted to read:

#### §6959. Dragging in the Taunton River area

It is unlawful for a person to fish with any drag or combination of drags in the coastal waters westerly and northerly of the Route 1 bridge that connects the towns of Hancock and Sullivan in Hancock County, including Egypt Bay, Taunton Bay and Hog Bay. This section is repealed March 1, 2005.

**Sec. 2. Report.** No later than February 1, 2004, the Department of Marine Resources shall submit a report to the joint standing committee of the Legislature having jurisdiction over marine resources matters regarding the impact of the Maine Revised Statutes, Title 12, section 6959 on the Taunton River area and shall assess whether the prohibition contained in that section of law remains necessary or advisable. The joint standing committee of the Legislature having jurisdiction over marine resources matters may report out a bill to the Second Regular Session of the 121st Legislature to implement the department's recommendations.

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

Effective March 22, 2000.

### **CHAPTER 577**

H.P. 1722 - L.D. 2428

An Act to Make Certain Public Utility Commission Rules Routine Technical Rules

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

- **Sec. 1. 35-A MRSA §3204, sub-§3,** as amended by PL 1999, c. 398, Pt. N, §1, is further amended to read:
- **3.** Extension; separation required. An investor-owned electric utility may apply to the

commission for an extension to permit the utility to divest one or more generation assets or generation-related business activities after March 1, 2000. The commission shall grant an extension if the commission finds that an extension would be likely to improve the sale value of those assets on the market or would be likely to reduce the level of the utility's stranded costs.

The commission by rule shall establish the procedure for granting extensions. Rules adopted under this subsection are major substantive routine technical rules pursuant to Title 5, chapter 375, subchapter II-A.

**Sec. 2. 35-A MRSA §3204, sub-§4,** as enacted by PL 1997, c. 316, §3, is amended to read:

4. Sale of capacity and energy required. The commission by rule shall require each investor-owned electric utility after February 28, 2000 to sell rights to capacity and energy from all generation assets and generation-related business, including purchased power contracts that are not divested pursuant to subsection 1, except those rights to capacity and energy that the commission determines are necessary for the utility to perform its obligations as a transmission and distribution utility in an efficient manner.

In the rules adopted under this subsection, the commission shall establish procedures to promote the maximum market value for these rights. Nothing in this subsection prohibits a utility from re-negotiating, buying out or buying down a contract with a qualifying facility in accordance with applicable laws. By March 1, 1999, the The commission shall provisionally adopt all rules required under this subsection. Rules adopted under this subsection are major substantive routine technical rules pursuant to Title 5, chapter 375, subchapter II-A.

- **Sec. 3. 35-A MRSA §3212, sub-§1,** as enacted by PL 1997, c. 316, §3, is amended to read:
- 1. Establishment of terms and conditions. The commission shall open a rule-making proceeding no later than October 1, 1997 to establish terms and conditions for standard-offer service that include, but are not limited to:
  - A. Entry and exit restrictions;
  - B. Protection against a standard-offer service provider's failure to provide service as contracted for:
  - C. Appropriate rate design issues;
  - D. Retaining averaged prices for all customers in the same class; and
  - E. Credit, collection and disconnection practices.

By February 15, 1998, the The commission shall provisionally adopt rules establishing terms and conditions for standard-offer service. Rules adopted under this subsection are major substantive routine technical rules pursuant to Title 5, chapter 375, subchapter II-A.

**Sec. 4. 35-A MRSA §3212, sub-§2,** as amended by PL 1999, c. 398, Pt. F, §1, is further amended to read:

2. Selection of standard-offer service providers. After terms and conditions for standard-offer service have been established under subsection 1, the commission shall administer a bid process to select a standard-offer service provider for that transmission and distribution utility's service territory. By December 1, 1999, the commission shall review the bid submissions for each transmission and distribution utility and select the standard-offer service provider or providers for that utility's service territory.

A. The commission shall determine the general credit data and specific information from general load and usage data that transmission and distribution utilities must provide to potential standard-offer service bidders, including, but not limited to, monthly demand and energy consumption and the number of customers in each customer class. The commission shall ensure that individual customer confidentiality is preserved in this process and that a transmission and distribution utility releases customer-specific data only with the customer's permission. If the transmission and distribution utility incurs additional costs to develop and produce the required data, the commission shall permit that utility to recover those costs through transmission and distribution rates.

- B. The commission shall establish the maximum duration of a standard-offer service contract after considering all relevant factors, including, but not limited to, market risks and the need for price stability and contract flexibility.
- C. A competitive electricity provider that is an affiliate of a large investor-owned transmission and distribution utility may submit bids to provide standard-offer service for up to 20% of the electric load within the service territory of the large investor-owned transmission and distribution utility with which it is affiliated. To prevent the unfair use of information possessed by a large investor-owned transmission and distribution utility, the commission shall ensure that a utility seeking to bid on standard-offer service has no greater access to relevant information than is provided to other potential bidders.

D. A consumer-owned transmission and distribution utility and a small investor-owned transmission and distribution utility may submit bids to provide standard-offer service for that utility's service territory. To prevent the unfair use of information possessed by a consumer-owned transmission and distribution utility or a small investor-owned transmission and distribution utility, the commission shall ensure that a utility seeking to bid on standard-offer service has no greater access to relevant information than is provided to other potential bidders.

By February 15, 1998, the The commission shall provisionally adopt rules establishing a methodology for structuring the bidding process for standard-offer service in order to implement the provisions of this subsection. In adopting rules, the commission shall consider methods to ensure, to the extent possible, at least 3 providers of standard-offer service in each transmission and distribution utility service territory, as long as the method does not result in any significant adverse impacts on rates paid by consumers. Rules adopted under this subsection are major substantive routine technical rules pursuant to Title 5, chapter 375, subchapter II-A.

Notwithstanding any other provision of this Title, the commission may, in the event of a default by a standard-offer service provider, require the transmission and distribution utility in whose service territory the provider was providing standard-offer service to arrange and to provide for default service. Notwithstanding any other provision of this Title, the commission may, in the event that the commission receives no bids to provide standard-offer service in a transmission and distribution utility's territory or the commission determines that the bids it receives are inadequate or unacceptable, require the transmission and distribution utility to arrange and to provide for default service. The arrangement and provision of such default service by a transmission and distribution utility does not constitute selling electric energy or capacity at retail for purposes of section 3205, subsection 2.

Notwithstanding Title 5, section 1831, the commission is not subject to rules adopted by the State Purchasing Agent in conducting the competitive bidding process required under this section.

See title page for effective date.

#### **CHAPTER 578**

H.P. 1638 - L.D. 2289

An Act to Provide Standard-offer Service to Certain Customers