

MAINE STATE LEGISLATURE

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STATE OF MAINE
ONE HUNDRED AND THIRTEENTH LEGISLATURE
FIRST REGULAR SESSION

JOINT STANDING COMMITTEE ON
UTILITIES
BILL SUMMARY



JUNE 1987

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JOINT STANDING COMMITTEE
BILL SUMMARIES
JUNE 1987

This document is a compilation of the bill summaries prepared by this office for the Joint Standing Committees and Joint Select Committees of the Maine Legislature. The summaries are arranged by LD number under each committee.

All Adopted Amendments are listed, by paper number (e.g., H-584 or S-222), together with the sponsor if it is a floor amendment or the designation "COMMITTEE" if it is a committee amendment.

Final action for each bill is listed to the right of the title. If final House action and Senate action differ, both are listed.

Please let us know if you would prefer a different format or additional information and if the summaries are helpful.

Key to Committee Reports and Floor Action:

OTP	Ought to Pass
OTP-ND	Ought to Pass in New Draft
OTP-ND-NT	Ought to Pass in New Draft, New Title
OTP-A	Ought to Pass as Amended
ONTP	Ought Not to Pass
LVWD	Leave to Withdraw
INDEF PP	Indefinitely Postponed

Sponsor: BAKER, Holt,
Committee Report: New Draft of LD 67
Amendments Adopted:
H-182 VOSE

SUMMARY: Under present law, between general rate cases, large electric utilities adjust their rates up or down to cover changes in the cost of fuel using expedited procedures. This clause also includes the cost of purchased power from small power producers and cogenerators. This adjustment is made on a 12 month projected basis, with subsequent fuel adjustments including a factor for reconciliation for overcollections or under collections. This allows direct dollar for dollar recovery of "fuel costs" as contracted with other costs. The bill was proposed by the Public Utilities Commission to repeal the fuel clause in order to create more incentive for savings in fuel costs.

The new draft, like the original bill, repeals the Maine Revised Statutes, Title 35, section 131, subsection 5, which required a single uniform fuel clause for all customers. Repeal will allow the Public Utilities commission to assign different fuel rates to different customer classes based on their actual fuel costs. The new draft differs from the original bill in that it leaves the rest of the fuel clause in the law.

The new draft also requires the Public Utilities Commission to report on progress in using revised accounting methods to remove possible disincentives to conservation, especially during peak hours that may arise from the operation of the present fuel clause.