

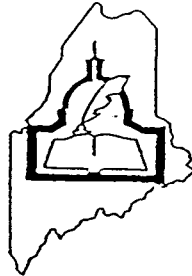
MAINE STATE LEGISLATURE

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STATE OF MAINE
114TH LEGISLATURE
FIRST REGULAR SESSION



BILL SUMMARY
JOINT STANDING COMMITTEE
ON
UTILITIES

JULY 1989

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* Denotes Chair

Staff: Lars H. Rydell, Legislative Analyst

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ONE HUNDRED AND FOURTEENTH LEGISLATURE
FIRST REGULAR SESSION

JOINT STANDING COMMITTEE
BILL SUMMARIES
AUGUST 1989

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 for each committee.

All Adopted Amendments are listed, by paper number (e.g., H-584 or S-222), together with the sponsor for floor amendments. Final action is listed to the right of the title. If final House and Senate action differ, both are listed. Committee Reports and Floor Action are abbreviated as follows:

| | |
|-----------|---------------------------------------|
| 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 |

Each individual summary was prepared by the analyst assigned, as noted for each committee. But, this document was produced by the efforts of all the office staff, including Research Assistant Barbara McGinn, and secretaries: Charlene Brann, and Valarie Parlin, and especially Laurette Knox who coordinated preparation of the overall document.

Please give us your suggestions and comments on these summaries and tell us of any inaccuracies.

LD 306 An Act to Create the Commission to Study the Possibility of Including the Cost of Environmental Impacts in the Least-cost Planning Process of Electrical Utilities and the Public Utilities Commission

INDEF PP

| <u>SPONSOR(S)</u> | <u>COMMITTEE REPORT</u> | <u>AMENDMENTS ADOPTED</u> |
|-----------------------|-------------------------|---------------------------|
| BOST HANDY PAUL | OTP-AM | H-260 CLARK H S-116 |

SUMMARY

The original bill would have encouraged further development of demand management programs in the State. In the Maine Energy Policy Act of 1988 the Legislature recognized that utilities should give conservation preference over cogeneration and Canadian purchases when developing least-cost energy plans. Under the original bill, electric utilities would have been required to pay 20% more than their established avoided cost for energy and capacity purchased from non-utility providers of demand side management energy savings. The 20% premium was established to recognize that meeting energy needs through conservation has no environmental impact, does not result in energy losses through transmission and distribution lines and avoids any reserve margin requirement established by the New England Power Planning Pool.

The committee amendment replaced the original bill by establishing a study commission to examine means by which the Public Utilities Commission can take environmental impacts of electrical generation and purchase, and demand side management into account in its decision-making process.

The House amendment makes a technical change to allow legislators to receive per diem payments provided for in the committee amendment.

The study did not receive funding.

LD 309 An Act to Make Changes to the Public Utilities Commission Laws

PUBLIC 159

| <u>SPONSOR(S)</u> | <u>COMMITTEE REPORT</u> | <u>AMENDMENTS ADOPTED</u> |
|-------------------------------------|-------------------------|---------------------------|
| BOST PAUL PARADIS E AIKMAN | OTP-AM | S-78 |

SUMMARY

The purpose of this bill is to make minor substantive or housekeeping changes to the laws governing public utilities.

Section 1 reinstates the words -- "as may be required" -- to qualify the commission's allocation of fees to pay for commission expenses relating to filing fees. These words were inadvertently deleted from the Public Utilities Commission Reimbursement Fund law during the 1987 recodification of the Public Utilities Commission laws.

Section 2 clarifies the types of transactions between a public utility and an affiliated interest which require approval of the Public Utilities Commission to include the guarantee of debt and the furnishing of goods. Section 2 also authorizes the commission to make the Maine Revised Statutes, Title 35-A, section 707, subsection 3 applicable to transactions between affiliated interests of a public utility, even though the utility is not a party to the transactions, if the transactions may have a significant effect on the utility.

Section 3 makes it clear that the Public Utilities Commission's approval of a reorganization does not limit the commission's rate-making authority concerning the effect of the reorganization on the rates of the utility. A similar provision exists in the law requiring approval of certain transactions between utilities and the affiliated interest, from which the reorganization provisions were transferred during the 1987 recodification of the Public Utilities Commission laws.

Section 4 deletes the requirement that a consumer-owned electric utility must publish a newspaper notice twice before it conducts a hearing on a rate change. A newspaper notice need only be published once, as in the current requirement for consumer-owned water utilities.

Section 5 requires a consumer-owned electric utility to include the purpose of the hearing, in addition to the date, time and place, in its customer notices of a hearing, as is required with respect to the newspaper notice of the hearing.

Sections 6 and 8 make it clear that only one signature per account may be counted in determining whether a petition for Public Utilities Commission review of a rate change by a consumer-owned electric utility contains a sufficient number of signatures.

Section 7 requires a consumer-owned water utility to include the purpose of the hearing, in addition to the date, time and place, in its customer notices of a hearing on a proposed rate change, as is required with respect to the newspaper notice of the hearing.

Section 9 provides that a consumer-owned water utility which chooses to make no investment in water main extensions or service lines and have the customer bear the cost of the extension or line must inform the Public Utilities Commission of the effective date of the decision, so that the commission is aware of the decision when processing customer inquiries.

Section 10 allows the property owner, in addition to the taker, to request county commissioners to prescribe terms and conditions on certain utility takings of property when awarding damages.

Sections 11, 12 and 13 amend the law which requires that public telephones be accessible to disabled persons to make it clear that the law does not apply to only locations inside buildings, but that it applies to all public places, whether inside or outside.

The committee amended the first two sections of the bill. In Sec. 1 the amendment merely clarifies the language by dividing one long sentence into three short ones. The amendment to Sec. 2 clarifies what types of transactions of affiliated interests of public utilities fall under PUC jurisdiction. These are primarily, contracts or arrangements to furnish goods or services used in the course of a utility's operation in Maine.