



129th MAINE LEGISLATURE

FIRST REGULAR SESSION-2019

Legislative Document

No. 980

H.P. 735

House of Representatives, February 26, 2019

**An Act To Amend Provisions of the Maine Energy Cost Reduction
Act Regarding Assessments on Ratepayers**

Reference to the Committee on Energy, Utilities and Technology suggested and ordered printed.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative RILEY of Jay.
Cosponsored by Senator LAWRENCE of York and
Representatives: BERRY of Bowdoinham, CAIAZZO of Scarborough, DENK of Kennebunk,
GRIGNON of Athens, HANLEY of Pittston, KESSLER of South Portland, WADSWORTH of
Hiram.

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

2 **Sec. 1. 35-A MRSA §1905, sub-§1**, as amended by PL 2015, c. 445, §6, is
3 further amended to read:

4 **1. Assessments on ratepayers.** The commission may direct one or more
5 transmission and distribution utilities, gas utilities or natural gas pipeline utilities to
6 collect an assessment from ratepayers for the following purposes:

7 A. To finance the participation of a transmission and distribution utility, a gas utility
8 or a natural gas pipeline utility in an energy cost reduction contract or a physical
9 energy storage contract; and

10 B. To pay the costs of energy cost reduction contract or physical energy storage
11 contract evaluation and administration under section 1906, subsection 2.

12 All assessments must be just and reasonable as determined by the commission and must
13 be identified as an energy cost reduction contract charge or a physical energy storage
14 contract charge on a ratepayer's utility bill. When determining just and reasonable
15 assessments, the commission shall consider the anticipated reduction in the price of gas or
16 electricity, as applicable, accruing to different categories of ratepayers as a result of the
17 contract.

18 In determining whether anticipated reductions in gas or electricity prices for electricity
19 ratepayers in the State from an energy cost reduction contract are adequate, the
20 commission may consider whether programs, contracts and other long-term enforceable
21 energy project commitments in other states will reduce market prices of electricity,
22 natural gas or both sufficient to make assessments of electricity ratepayers in the State for
23 the energy cost reduction contract just and reasonable. Such commitments may include
24 programs for long-term contracts for wind energy, solar energy, hydroelectric energy and
25 energy storage projects and other enforceable obligations that reduce the market clearing
26 electricity price applicable to electricity ratepayers in the State.

27 **SUMMARY**

28 This bill amends the Maine Energy Cost Reduction Act to permit the Public Utilities
29 Commission to consider the effect on electricity market clearing prices in Maine of
30 programs, contracts and other enforceable obligations in other states in determining
31 whether assessments on Maine electricity ratepayers for natural gas pipelines and gas
32 storage are just and reasonable.