

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

## **An Act To Allow Transmission and Distribution Utilities To Generate and Sell Power**

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

**Sec. 1. 35-A MRSA §3202, sub-§5**, as enacted by PL 1999, c. 398, Pt. B, §1, is amended to read:

**5. International transmission contracts.** ~~Notwithstanding section 3204,~~ Transmission and distribution utilities, including consumer-owned utilities, that operate or manage a portion of the grid connected to the New England grid by transmission lines that pass through Canada may enter into commercially reasonable contracts with Canadian electric utilities for the purchase of back-up services, tie-line interruption services, ancillary services, transmission services or any other service that promotes effective retail electric competition in northern Maine. The transmission and distribution utilities shall make all such contract services available to competitive electricity providers at cost, on an equitable basis. Commission approval of such contracts is not required. Nothing in this subsection exempts from commission jurisdiction utility operations or activities undertaken pursuant to such contracts.

**Sec. 2. 35-A MRSA §3204**, as amended by PL 2003, c. 344, Pt. D, §24, is repealed.

**Sec. 3. 35-A MRSA §3205**, as amended by PL 1999, c. 237, §2 and c. 398, Pt. G, §§1 to 3, is repealed.

**Sec. 4. 35-A MRSA §3206**, as enacted by PL 1997, c. 316, §3, is repealed.

**Sec. 5. 35-A MRSA §3206-A**, as amended by PL 2003, c. 505, §30, is repealed.

**Sec. 6. 35-A MRSA §3206-B** is enacted to read:

### **§ 3206-B. Generation and sale of electric energy; rules**

Subject to rules adopted by the commission, an investor-owned transmission and distribution utility may have a financial interest in or otherwise control generation or generation-related assets, may generate electricity and may sell electric energy to retail consumers. Rules adopted pursuant to this section are major substantive rules as defined in Title 5, chapter 375, subchapter 2-A.

## **SUMMARY**

This bill removes the provisions in current law that prohibit investor-owned transmission and distribution utilities from owning and operating electric generation facilities and from selling electric energy to consumers at retail, including those provisions that require such utilities to divest generation assets and generation-related business activity. The bill requires the Public Utilities Commission to adopt

rules to govern the ownership of generation assets, generation of electricity and retail sale of electricity by investor-owned transmission and distribution utilities.