



127th MAINE LEGISLATURE

LD 881

LR 1643(02)

An Act To Allow the Public Utilities Commission To Contract for Liquefied Natural Gas Storage and Distribution

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Energy, Utilities and Technology

Fiscal Note Required: Yes

Fiscal Note

Potential current biennium cost increase - Other Special Revenue Funds
Potential current biennium revenue increase - Other Special Revenue Funds

Fiscal Detail and Notes

Under current law, the Public Utilities Commission (PUC) may execute energy cost reduction contracts for a total amount not to exceed \$75,000,000 annually. This bill allows the PUC to enter into physical energy storage contracts until June 1, 2017 for a total amount not to exceed \$25,000,000 annually and sets the maximum amount of energy cost reduction contracts and physical energy storage contracts to not exceed a total combined cost of \$75,000,000, resulting in no net cost increase from executing contracts. Prior to September 1, 2016, the PUC cannot initiate a proceeding for physical energy storage contracts unless the PUC has issued an order in a currently pending proceeding, concerning energy cost reduction contracts, to determine the amount of funds, if any, may be expended on physical energy storage contracts. The bill also allows the PUC to contract for the resale of physical energy storage capacity, resulting in potential revenue to the Energy Cost Reduction Trust Fund within the PUC. There is no estimate at this time of how much revenue will accrue to the trust fund. The PUC has indicated that a consultant may be necessary in certain complex cases. No estimate on the costs to hire a consultant has been made at this time.