

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 Clarify the Regulation of Private Natural Gas Pipelines**

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

**Sec. 1. 35-A MRSA §4517, sub-§1**, as enacted by PL 2011, c. 110, §1, is amended to read:

**1. Private natural gas pipelines; customer; definitions.** As used in this section, "private natural gas pipeline" means a pipeline that is used solely for the transport of natural gas to a single customer, is owned by the customer ~~or an affiliate of the customer~~ and whose owner or operator is not otherwise regulated by the commission as a natural gas pipeline utility or gas utility. For purposes of this subsection, "customer" includes an affiliate of a customer.

**Sec. 2. 35-A MRSA §4517, sub-§5** is enacted to read:

**5. Sale by affiliate of liquefied natural gas or compressed natural gas.** A private natural gas pipeline that delivers natural gas to its affiliate who then liquefies or compresses the natural gas for sale or distribution to others by means other than by a pipeline is not, as a result of the delivery, considered a public utility. The owner or operator of an affiliate of a private natural gas pipeline that receives deliveries of natural gas that it liquefies or compresses for sale or distribution to others by means other than by a pipeline is not considered a public utility if the owner or operator of the affiliate is not otherwise regulated by the commission as a public utility.

### **SUMMARY**

This bill:

1. Specifies that only private natural gas pipelines whose owners and operators are not otherwise regulated by the Public Utilities Commission as a utility are private natural gas pipelines, and specifies that the term "customer" includes the affiliate of a customer, for the purposes of the laws governing such pipelines;

2. Provides that a private natural gas pipeline that delivers natural gas to its affiliate who then liquefies or compresses the natural gas for sale or distribution to others by means other than by a pipeline is not, as a result of the delivery, considered a public utility; and

3. Provides that the owner or operator of an affiliate of a private natural gas pipeline that receives deliveries of natural gas that it liquefies or compresses for sale or distribution to others by means other than by a pipeline is not considered a public utility if the owner or operator of the affiliate is not otherwise regulated by the commission as a public utility.