

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 the Direct Sale of Electricity

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

Sec. 1. 35-A MRSA §2305-B, sub-§§1 and 2, as enacted by PL 2001, c. 110, §2, are amended to read:

1. Transmission and distribution utilities; direct electric service. A transmission and distribution utility or a person that provides direct electric service approved in accordance with section 3321, subsection 3 may construct and maintain its lines in, upon, along, over, across or under the roads and streets in any municipality in which it is authorized to supply electricity, subject to the conditions and restrictions provided in this chapter and chapter 25.

2. Persons other than transmission and distribution utilities. A person other than a transmission and distribution utility or a person that provides direct electric service approved in accordance with section 3321, subsection 3 may not construct or maintain electric lines, including poles or other related structures, in, upon, along, over, across or under a road, street or other public way unless:

A. The person satisfies the requirements of section 2503;

B. The person or the person's contractor hired to construct the line provides to the applicable licensing authority a performance bond:

(1) In the amount of the value of the line, including poles or other related structures, to be located in the public way; and

(2) That is enforceable for one year from the date the line is energized;

C. Prior to constructing the line, the person notifies the transmission and distribution utility in whose service territory the line is proposed to be built of the proposed location of the line; and

D. If a public utility objects to the line on the basis that it may constitute a duplication of existing transmission or distribution facilities or may interfere with the adequate and safe delivery of electricity to others, the commission issues a finding that the line is not a duplication of existing transmission or distribution facilities and does not interfere with the adequate and safe delivery of electricity to others. A finding is not required under this paragraph unless a public utility has objected in writing to the applicable licensing authority.

Sec. 2. 35-A MRSA c. 33-A is enacted to read:

CHAPTER 33-A

DIRECT ELECTRIC SERVICE

§ 3321. Direct electric service

1. Definition. As used in this chapter, unless the context otherwise indicates, "direct electric service" means the private sale of electricity from a generator to a commercial or industrial customer.

2. Direct electric service, public utility exception. Notwithstanding section 2102 or any other provision of this Title, a person that provides direct electric service approved under subsection 3 does not, as a result of furnishing direct electric service to participating customers, become a public utility and is not subject to regulation as a public utility under this Title.

3. Commission approval. The commission shall approve a petition under section 2503 to provide direct electric service if the service meets the following requirements:

- A. The generator and commercial or industrial customer are located within 5 miles of each other; and
- B. The number of commercial or industrial customers that receive direct electric service is limited to 5 customers.

The person providing direct electric service must demonstrate that the person has the financial capacity and technical capability to operate a proposed new electric line.

SUMMARY

This bill directs the Public Utilities Commission to approve a petition to sell electricity directly to commercial or industrial customers if the commission finds the electric service meets specified requirements. The bill specifies that the petitioner does not become a public utility as a result of its furnishing electric service to participating customers. The bill also provides that a person that has been approved to sell electricity directly to customers may construct and maintain its lines in, upon, along, over, across or under the roads and streets.