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Date: (Filing No. S- )

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**STATE OF MAINE**  
**SENATE**  
**130TH LEGISLATURE**  
**SECOND REGULAR SESSION**

SENATE AMENDMENT “ ” to COMMITTEE AMENDMENT “A” to S.P. 697, L.D. 1959, “An Act To Ensure Transmission and Distribution Utility Accountability”

Amend the amendment in section 1 in subsection 1-A in the 2nd line (page 1, line 15 in amendment) by inserting after the following: "rules" the following: 'for utilities with over 50,000 customers'

Amend the amendment in section 1 in subsection 1-A by inserting after paragraph E the following:

'F. Annually, the commission shall evaluate the data provided by a transmission and distribution utility in accordance with paragraph E for the prior calendar year to determine if the standards established by the commission pursuant to this section have been met.'

Amend the amendment in section 1 in subsection 1-A in paragraph H in the first line (page 2, line 12 in amendment) by striking out the following: "Once every 3 years, the" and inserting the following: 'The'

Amend the amendment in section 1 in subsection 1-A by inserting after paragraph H the following:

'Nothing in this subsection prohibits the commission from establishing service quality standards for transmission and distribution utilities with fewer than 50,000 customers.'

Amend the amendment in section 1 in subsection 1-A by relettering the paragraphs to read consecutively.

Amend the amendment by striking out all of section 5 and inserting the following:

**'Sec. 5. 35-A MRSA §1508-A, sub-§1, ¶E** is enacted to read:  
E. In accordance with section 301, subsection 1-A, paragraph G, the commission shall impose an administrative penalty on a transmission and distribution utility in an amount that does not exceed \$1,000,000 or 10% of its annual gross revenue received from ratepayers in the State, whichever amount is less, that fails to meet a standard established by the commission pursuant to section 301, subsection 1-A in the previous calendar year. Each calendar year that the transmission and distribution utility fails to meet the standard constitutes a separate offense. The commission shall use the

**SENATE AMENDMENT**

1 proceeds from the penalty imposed under this paragraph to assist low-income  
2 customers.'

3 Amend the amendment by striking out all of section 6 and inserting the following:

4 '**Sec. 6. 35-A MRSA §1513** is enacted to read:

5 **§1513. Divestiture of underperforming transmission and distribution utility**

6 The commission shall initiate an adjudicatory proceeding, on its own motion or at the  
7 request of the Public Advocate, in accordance with this section to determine whether  
8 divestiture of an investor-owned transmission and distribution utility is warranted if the  
9 utility consistently fails to meet the service standards established in section 301, subsection  
10 1-A, consistently fails to meet the requirements of section 301, subsection 1 or is unable to  
11 fulfill its statutory duties as a public utility because it is financially impaired. If, at the  
12 conclusion of the adjudicatory proceeding, the commission determines that divestiture of a  
13 transmission and distribution utility is warranted, the commission shall order divestiture of  
14 or by the utility in accordance with this section:

15 **1. Determination by the commission.** The commission shall order the owner of the  
16 transmission and distribution utility to divest the utility if the acquisition of the utility from  
17 a qualified buyer:

18 A. Will result, over the long term, in net benefits to ratepayers in the form of lower  
19 rates or better service than the rates and service provided by the transmission and  
20 distribution utility;

21 B. Is for a fair and reasonable purchase price negotiated by a qualified buyer and the  
22 transmission and distribution utility or as determined by the Superior Court in  
23 accordance with subsection 2;

24 C. Demonstrates that the qualified buyer has sufficient financial and technical  
25 capability, expertise and experience to own and operate the utility and the ability to  
26 comply with all of the legal requirements, including but not limited to achievement of  
27 policies pursuant to Title 38, section 576-A and section 577, subsection 1, of a  
28 transmission and distribution utility; and

29 D. Will benefit ratepayers as determined in accordance with section 708, subsection  
30 2, paragraph C, subparagraph (2).

31 **2. Superior Court review.** Notwithstanding any other provision of this Title, a  
32 transmission and distribution utility may apply by petition to the Superior Court of  
33 Kennebec County to determine a fair and reasonable price that provides just compensation  
34 for the sale of the transmission and distribution utility or its assets if the qualified buyer  
35 and transmission and distribution utility are unable to negotiate a price. The court shall  
36 hold a hearing on the petition in which the parties are permitted to present factual and expert  
37 testimony and other evidence concerning the value of the utility or its assets and shall  
38 render a decision. The decision of the Superior Court may be appealed to the Supreme  
39 Judicial Court sitting as the Law Court in the same manner as an appeal taken from a  
40 judgment of the Superior Court in a civil action.

41 **3. More than one buyer.** If more than one qualified buyer proposes to acquire the  
42 transmission and distribution utility or its assets, the commission shall order divestiture to  
43 the qualified buyer that will provide the greatest net benefits to ratepayers.'

1 Amend the amendment by striking out all of section 7 and inserting the following:

2 'Sec. 7. **35-A MRSA §3146** is enacted to read:

3 **§3146. Climate change protection plan**

4 No later than December 31, 2023, and every 3 years thereafter, a transmission and  
5 distribution utility shall submit to the commission a 10-year plan that includes specific  
6 actions for addressing the expected effects of climate change on the utility's assets needed  
7 to transmit and distribute electricity to its customers. The commission shall provide a  
8 process to allow for the input from interested parties on the transmission and distribution  
9 utility's plan. The commission may use the plan and the input received from interested  
10 parties in rate cases or other proceedings involving the transmission and distribution utility.'

11 Amend the amendment by striking out all of section 8 and inserting the following:

12 'Sec. 8. **35-A MRSA §3147** is enacted to read:

13 **§3147. Integrated grid planning**

14 **1. Definitions.** As used in this section, unless the context otherwise indicates, the  
15 following terms have the following meanings.

16 A. "Covered utility" means a large investor-owned transmission and distribution utility  
17 as defined in section 3201, subsection 12.

18 B. "Environmental justice" means the fair treatment and meaningful involvement of  
19 all persons regardless of race, color, national origin or income with respect to the  
20 development, implementation and enforcement of environmental laws, rules,  
21 regulations and policies.

22 C. "Grid plan" means a 10-year integrated grid plan developed in accordance with this  
23 section designed to improve system reliability and resiliency and enable the cost-  
24 effective achievement of the greenhouse gas reduction obligations and climate policies  
25 pursuant to Title 38, section 576-A and section 577, subsection 1.

26 D. "Hosting capacity" means a threshold at a circuit at which new distributed energy  
27 resources will trigger upgrades or changes to the electrical distribution system and cost  
28 considerations of related upgrades and changes.

29 **2. Priorities identified; stakeholder input.** Beginning November 1, 2022, then every  
30 5 years thereafter, the commission shall initiate a proceeding to identify the priorities to be  
31 addressed in a filing by a covered utility regarding a grid plan that will assist in the cost-  
32 effective transition to a clean, affordable and reliable electric grid. The commission shall  
33 hold technical conferences or stakeholder workshops before the filing to identify priorities,  
34 assumptions, goals, methods and tools that will assist the covered utility in developing a  
35 grid plan.

36 **3. Commission order.** At the conclusion of the technical conferences and stakeholder  
37 workshops held under subsection 2, the commission shall issue an order directing a covered  
38 utility to submit a filing to the commission that addresses the priorities identified in the  
39 proceeding initiated pursuant to subsection 2 and includes the additional components  
40 identified in subsection 4.

41 **4. Additional components; submission.** A covered utility shall submit a filing to the  
42 commission within 18 months of the issuance of an order by the commission pursuant to

1 subsection 3. In addition to addressing the priorities specified in the commission order, the  
2 filing must:

3 A. Assess the electric system of the covered utility and its relationship to the regional  
4 grid;

5 B. For elements of the filing related to customer energy consumption and usage  
6 characteristics, reference and incorporate relevant elements of the Efficiency Maine  
7 Trust triennial plan developed under section 10104, subsection 4, including all of the  
8 trust's analysis of cost-effective energy efficiency potential and plans to implement  
9 energy efficiency programs, demand management programs, beneficial electrification  
10 programs such as heat pump and electric vehicle initiatives, energy storage initiatives  
11 and analysis of nonwires alternatives;

12 C. Include at least 2 potential planning scenarios, at a minimum, a baseline scenario  
13 and a scenario of high-penetration distributed energy resources and end-use  
14 electrification. When applicable, the planning scenarios must incorporate mechanisms  
15 for achieving the priorities established pursuant to subsection 2, including, but not  
16 limited to, cost-effective policies, programs, rates, use of software or technology and  
17 infrastructure planning, including nonwires alternatives;

18 D. Include, at a minimum, the following:

19 (1) Forecasts of projected load, including forecasts of end-use electrification,  
20 energy efficiency and distributed energy resources;

21 (2) Baseline energy supply data and assessments, including but not limited to  
22 planned generation retirements; new generation that is planned or needed,  
23 including generation of electricity from renewable sources; and energy storage  
24 installations;

25 (3) Analysis of hosting capacity, including locational benefits of distributed  
26 energy resources and areas of existing or potential system congestion;

27 (4) Analysis of available and emerging technologies necessary to enable load  
28 management and flexibility;

29 (5) An assessment of the environmental, equity and environmental justice impacts  
30 of grid plans; and

31 (6) An identification of cost-effective near-term grid investments and operations  
32 needed to achieve the priorities identified in subsection 2; and

33 E. Reference and incorporate, as appropriate, all relevant analysis conducted as part  
34 of the State's climate action plan under Title 38, section 577 and relevant information  
35 from reports and analysis completed by other state agencies and quasi-independent  
36 state entities.

37 The commission shall make the filing for each covered utility available for public comment  
38 for a period of no less than 60 days. The commission may order a covered utility to revise  
39 the filing to address any deficiencies. The commission may use the filing and the input  
40 received from interested parties in rate cases or other proceedings involving the covered  
41 utility.

1           **5. Access to information.** Consistent with section 1311-A, a covered utility shall  
 2 ensure to the greatest extent practicable that any information related to the filing is provided  
 3 in a forum accessible to interested parties and all relevant data and distribution planning  
 4 modeling tools are available to interested parties.

5 Nothing in this section prohibits the commission from holding additional proceedings if  
 6 the commission determines it is necessary to meet the purposes of this section.'

7           Amend the amendment in section 9 in the 3rd line (page 8, line 39 in amendment) by  
 8 striking out the following: "grid plans under" and inserting the following: 'an integrated  
 9 grid plan as required by'

10           Amend the amendment in section 11 in the 5th line (page 9, line 12 in amendment) by  
 11 striking out the following: "implement" and inserting the following: 'comply with the  
 12 integrated grid planning provisions of'

13           Amend the amendment by striking out all of section 12 and inserting the following:

14           '**Sec. 12. Appropriations and allocations.** The following appropriations and  
 15 allocations are made.

16           **PUBLIC UTILITIES COMMISSION**

17           **Public Utilities - Administrative Division 0184**

18 Initiative: Provides allocations for one Staff Attorney position and 2 Utility Analyst  
 19 positions and associated All Other funding.

20	<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2021-22</b>	<b>2022-23</b>
21	POSITIONS - LEGISLATIVE COUNT	0.000	3.000
22	Personal Services	\$0	\$464,348
23	All Other	\$0	\$34,680
24			
25	OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	\$499,028

26           **Public Utilities - Administrative Division 0184**

27 Initiative: Provides one-time allocation for contracted services to study similar investor-  
 28 owned utilities and regulatory efforts.

29	<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2021-22</b>	<b>2022-23</b>
30	All Other	\$0	\$400,000
31			
32	OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	\$400,000

33

34           **PUBLIC UTILITIES COMMISSION**

35	<b>DEPARTMENT TOTALS</b>	<b>2021-22</b>	<b>2022-23</b>
36			
37	OTHER SPECIAL REVENUE FUNDS	\$0	\$899,028
38			
39	DEPARTMENT TOTAL - ALL FUNDS	\$0	\$899,028

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1 Amend the amendment by relettering or renumbering any nonconsecutive Part letter or  
2 section number to read consecutively.

3 **SUMMARY**

4 This amendment retains the substance of Committee Amendment "A" while making  
5 several changes.

6 1. Like the committee amendment, this amendment requires the Public Utilities  
7 Commission to adopt rules governing the evaluation of transmission and distribution utility  
8 performance, but it limits the requirement to utilities with more than 50,000 customers. It  
9 permits the establishment of standards for utilities serving fewer than 50,000 customers.  
10 This amendment requires the commission to evaluate annually the data provided by a utility  
11 in its quarterly reports regarding service standards.

12 2. This amendment requires the Public Utilities Commission to identify priorities using  
13 stakeholder input regarding the issues involved in the transition to a clean, affordable and  
14 reliable electric grid and to order certain utilities to submit a filing to the commission on  
15 addressing those priorities, as well as on grid relationships, customer energy consumption  
16 and usage, planning scenarios, forecasts of projected load, baseline energy supply data and  
17 assessments, analysis of hosting capacity, analysis of available and emerging technologies  
18 necessary to enable load management and flexibility, an assessment of the environmental,  
19 equity and environmental justice impacts of grid plans and cost-effective near-term grid  
20 investments and operations needed to achieve the priorities.

21  
22 **SPONSORED BY:** \_\_\_\_\_

23 **(Senator LAWRENCE, M.)**

24 **COUNTY: York**