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Date: 6/18/13

L.D. 927 (Filing No. H-554)

ENERGY, UTILITIES AND TECHNOLOGY

Reproduced and distributed under the direction of the Clerk of the House.

STATE OF MAINE

HOUSE OF REPRESENTATIVES

126TH LEGISLATURE

FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 651, L.D. 927, Bill, "An Act To Further Energy Independence for the State"

Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:

'Sec. 1. 2 MRSA §9, sub-§2-A, ¶B, as enacted by PL 2011, c. 655, Pt. MM, §2 and affected by §26, is amended to read:

15 B. To the extent federal funds are inadequate to meet the funding needs of the office, 16 the office may receive funds from the Efficiency Maine Trust, established in Title 17 35-A, chapter 97, but only for that portion of the office's activities that support or 18 reasonably relate to programs or activities of the Efficiency Maine Trust. The 19 director shall keep an accounting of the office's resources devoted to its various duties 20 and activities, including that portion of its resources devoted to activities in support 21 of or reasonably related to programs or activities of the Efficiency Maine Trust. The 22 office shall annually by January 15th provide the accounting to the joint standing 23 committee of the Legislature having jurisdiction over energy matters as part of its 24 annual report under subsection 3, paragraph C-1. The joint standing committee of the Legislature having jurisdiction over energy matters shall make recommendations to 25 26 the joint standing committee of the Legislature having jurisdiction over 27 appropriations and financial affairs with regard to any proposed allocation of the 28 Efficiency Maine Trust funds to support the office. In accordance with any 29 legislative allocation or deallocation of Efficiency Maine Trust funds to support the 30 office, the director shall request from the Efficiency Maine Trust and the trust shall provide the allocated resources to the office. 31

32 Sec. 2. 2 MRSA §9, sub-§3, ¶C, as amended by PL 2011, c. 400, §1, is further 33 amended to read:

C. In consultation with the Efficiency Maine Trust Board, established in Title 5, section 12004-G, subsection 10-C, prepare and submit a comprehensive state energy plan to the Governor and the Legislature by January 15, 2009 and submit an updated plan every 2 years thereafter. Within the comprehensive state energy plan, the

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director shall identify opportunities to lower the total cost of energy to consumers in this State and transmission capacity and infrastructure needs and recommend appropriate actions to lower the total cost of energy to consumers in this State and facilitate the development and integration of new renewable energy generation within the State and support the State's renewable resource portfolio requirements specified in Title 35-A, section 3210 and wind energy development goals specified in Title 35-A, section 3404. The comprehensive state energy plan must include a section that specifies the State's progress in meeting the oil dependence reduction targets in subsection 5. The office shall make recommendations, if needed, for additional legislative and administrative actions to ensure that the State can meet the reduction targets in subsection 5. The recommendations must include a cost and resource estimate for technology development needed to meet the reduction targets; $\frac{1}{2}$

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(1) Beginning in 2015, the update to the plan must:

- (a) Be submitted to the joint standing committee of the Legislature having jurisdiction over utilities and energy matters and the joint standing committee of the Legislature having jurisdiction over natural resources matters;
- (b) Address the association between energy planning and meeting the greenhouse gas reduction goals in the state climate action plan pursuant to Title 38, section 577. The director shall consult with the Department of Environmental Protection in developing this portion of the plan;
- (c) Include a section devoted to wind energy development, including:
 - (i) The State's progress toward meeting the wind energy development goals established in Title 35-A, section 3404, subsection 2, including an assessment of the likelihood of achieving the goals and any recommended changes to the goals;
 - (ii) Examination of the permitting process and any recommended changes to the permitting process;
- (iii) Identified successes in implementing the recommendations contained in the February 2008 final report of the Governor's Task Force on Wind Power Development created by executive order issued May 8, 2007;
- 32(iv) A summary of tangible benefits provided by expedited wind energy33developments, including, but not limited to, documentation of34community benefits packages and community benefit agreement35payments provided;
- 36(v) A review of the community benefits package requirement under Title3735-A, section 3454, subsection 2, the actual amount of negotiated38community benefits packages relative to the statutorily required39minimum amount and any recommended changes to community benefits40package policies;

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(vi) Projections of wind energy developers' plans, as well as technology trends and their state policy implications;

(vii) Recommendations, including, but not limited to, identification of places within the State's unorganized and deorganized areas for inclusion in the expedited permitting area established pursuant to Title 35-A, chapter 34-A and the creation of an independent siting authority to consider wind energy development applications; and

(d) Include a description of activities undertaken pursuant to paragraph H.

The joint standing committee of the Legislature having jurisdiction over utilities and energy matters may report out legislation by February 1st of each odd-numbered year relating to the content of the plan. The joint standing committee of the Legislature having jurisdiction over natural resources matters may make recommendations regarding that legislation to the joint standing committee of the Legislature having jurisdiction over energy matters.

15 Sec. 3. 2 MRSA §9, sub-§3, ¶C-1, as enacted by PL 2009, c. 372, Pt. H, §2, is
amended to read:

C-1. By February 1st January 15th of each year, prepare and submit to the joint standing committee of the Legislature having jurisdiction over utilities and energy matters an annual report that describes the activities of the office during the previous calendar year in carrying out its duties under this subsection and describes the State's progress in implementation of the state energy plan prepared pursuant to paragraph C and its annual accounting pursuant to subsection 2-A, paragraph B. After receipt and review of the annual report required under this paragraph, the joint standing committee of the Legislature having jurisdiction over utilities and energy matters may submit legislation relating to energy policy;

26 Sec. 4. 2 MRSA §9, sub-§3, ¶H, as enacted by PL 2007, c. 656, Pt. C, §1, is 27 amended to read:

28 H. Work with transmission and distribution utilities, state agencies involved in the 29 permitting of energy generation facilities and other relevant entities to negotiate 30 agreements that create value for electricity consumers with developers of renewable 31 generation who are interested in building energy generation facilities or developing or 32 utilizing energy transmission infrastructure in this State. This paragraph does not 33 authorize the director to be a signatory to any such agreement unless that authority is 34 otherwise granted by law. The director shall report on activities undertaken pursuant to this paragraph by February 1, 2009, and annually thereafter, to the joint standing 35 36 committee of the Legislature having jurisdiction over utilities and energy matters;

37 Sec. 5. 38 MRSA §578, as amended by PL 2005, c. 144, §1, is further amended to
38 read:

39 §578. Progress evaluation

By January 1, 2006 and by that date every 2 years thereafter, the department shall evaluate the State's progress toward meeting the reduction goals specified in section 576, review the cost-effectiveness of the actions taken toward meeting the reduction goals and

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shall amend the action plan as necessary to ensure that the State can meet the reduction goals. The department shall submit a report of its evaluation to the joint standing committee of the Legislature having jurisdiction over natural resources matters <u>and the</u> joint standing committee of the Legislature having jurisdiction over utilities and energy <u>matters</u> by January 1, 2006 2016 and by that date every 2 years thereafter. The joint standing committee of the Legislature having jurisdiction over natural resources matters is authorized to report out legislature having jurisdiction over natural resources matters is authorized to report out legislation relating to the evaluation to the second regular session of any Legislature. The joint standing committee of the Legislature having jurisdiction over utilities and energy matters may make recommendations to the joint standing committee of the Legislature having jurisdiction over natural resources matters regarding that legislation. Starting no earlier than January 1, 2008, the department may recommend to the joint standing committee of the Legislature having jurisdiction over natural resources matters that the reduction goals specified in section 576 be increased or decreased.

15 Sec. 6. 38 MRSA §579, first ¶, as amended by PL 2007, c. 608, §3, is further
amended to read:

17 The department may participate in the regional greenhouse gas initiative as described 18 in the climate action plan required in section 577 under chapter 3-B. The commissioner 19 and the members of the Public Utilities Commission are authorized to act as 20 representatives for the State in the regional organization as defined in section 580-A, 21 subsection 20, may contract with organizations and entities when such arrangements are 22 necessary to efficiently carry out the purposes of this section and may coordinate the 23 State's efforts with other states and jurisdictions participating in that initiative, with 24 respect to:

Sec. 7. PL 2007, c. 661, Pt. A, §8, as amended by PL 2009, c. 642, Pt. A, §9, is
repealed.

Sec. 8. 2013 biennial update to the comprehensive energy plan. For the
year 2013, the plan to reduce the use of oil in all sectors of the economy under the Maine
Revised Statutes, Title 2, section 9, subsection 5 serves as the biennial update to the
comprehensive energy plan required under Title 2, section 9, subsection 3, paragraph C.

31 Sec. 9. Appropriations and allocations. The following appropriations and allocations are made.

33 ENVIRONMENTAL PROTECTION, DEPARTMENT OF

34 Administration - Environmental Protection 0251

Initiative: Allocates funds for administrative costs related to consulting with the Governor's Energy Office on the development of a new comprehensive state energy plan.

37	OTHER SPECIAL REVENUE FUNDS	2013-14	2014-15
38	All Other	\$506	\$675
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40	OTHER SPECIAL REVENUE FUNDS TOTAL	\$506	\$675

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Air Quality 0250

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2 Initiative: Provides funding for a half-time Environmental Special IV position and related 3 administrative expenses to consult with the Governor's Energy Office in developing an 4 analysis of the interaction between energy planning and greenhouse gas reduction goals 5 and to assist with an analysis of wind energy development, including permitting issues.

6	GENERAL FUND	2013-14	2014-15
7	POSITIONS - LEGISLATIVE COUNT	0.500	0.500
8	Personal Services	\$29,561	\$42,073
9	All Other	\$1,415	\$1,887
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11	GENERAL FUND TOTAL	\$30,976	\$43,960
12 13 14 15	ENVIRONMENTAL PROTECTION, DEPARTMENT OF DEPARTMENT TOTALS	2013-14	2014-15
16	GENERAL FUND	\$30,976	\$43,960
17	OTHER SPECIAL REVENUE FUNDS	\$506	\$ 1 5,500 \$675
18	OTHER SI ECIAL REVENUE FUNDS	\$500	\$075
19	DEPARTMENT TOTAL - ALL FUNDS	\$31,482	\$44,635
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SUMMARY

22 This amendment consolidates various reporting requirements of the Governor's 23 Energy Office into 2 primary reports, the annual report under the Maine Revised Statutes, 24 Title 2, section 9, subsection 3, paragraph C-1 and the biennial update to the comprehensive state energy plan under Title 2, section 9, subsection 3, paragraph C. 25 26

- FISCAL NOTE REQUIRED
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(See attached)

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126th MAINE LEGISLATURE

LD 927

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An Act To Further Energy Independence for the State

Fiscal Note for Bill as Amended by Committee Amendment 'A' (H-554) Committee: Energy, Utilities and Technology Fiscal Note Required: Yes

Fiscal Note

	FY 2013-14	FY 2014-15	Projections FY 2015-16	Projections FY 2016-17
Net Cost (Savings) General Fund	\$30,976	\$43,960	\$45,222	\$46,522
Appropriations/Allocations General Fund Other Special Revenue Funds	\$30,976 \$506	\$43,960 \$675	\$45,222 \$675	\$46,522 \$675

Fiscal Detail and Notes

This bill includes General Fund appropriations of \$30,976 in fiscal year 2013-14 and \$43,960 in fiscal year 2014-15 to the Department of Environmental Protection for a half-time Environmental Specialist IV position and related administrative expenses to consult with the Governor's Energy Office in developing an analysis of the interaction between energy planning and greenhouse gas reduction goals and to assist with an analysis of wind energy development, including permitting issues. Other Special Revenue Funds allocations are also included for central administrative costs of \$506 and \$675 in fiscal years 2013-14 and 2014-15, respectively.

The Governor's Energy Office can implement the changes related to the comprehensive energy plan provisions utilizing existing resources available for the plan.