

### STATE OF MAINE 123<sup>rd</sup> Legislature Second Regular and First Special Sessions



Summaries of bills, adopted amendments and laws enacted or finally passed during the Second Regular or First Special Sessions of the 123<sup>rd</sup> Maine Legislature coming from the

## JOINT STANDING COMMITTEE ON UTILITIES AND ENERGY

May 2008

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**STAFF:** 

LUCIA A. NIXON, LEGISLATIVE ANALYST OFFICE OF POLICY AND LEGAL ANALYSIS 13 STATE HOUSE STATION AUGUSTA, ME 04333 (207) 287-1670

# STATE OF MAINE

123<sup>RD</sup> LEGISLATURE SECOND REGULAR & FIRST SPECIAL SESSIONS



## LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* summarizes all bills and adopted amendments and all laws enacted or finally passed during the Second Regular or First Special Sessions of the 123<sup>rd</sup> Maine Legislature.

The *Digest* is arranged alphabetically by committee, and within each committee by LD number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are summarized and listed by paper number. A subject index is included with each committee. The appendices include a summary of relevant session statistics, an index of all bills by LD number and an index of enacted laws by law type and chapter number.

Final action on each bill is noted to the right of the bill title. The abbreviations used for various categories of final action are as follows:

CON RES XXX	Chapter # of Constitutional Resolution passed by both Houses
CONF CMTE UNABLE TO AGREE	
DIED BETWEEN BODIES	
DIED IN CONCURRENCE One body	accepts ONTP report; the other indefinitely postpones the bill
DIED ON ADJOURNMENT	Action incomplete when session ended; bill died
EMERGENCY	Enacted law takes effect sooner than 90 days
FAILED EMERGENCY ENACTMENT/FINAL	PASSAGE Emergency bill failed to get 2/3 vote
FAILED ENACTMENT/FINAL PASSAGE	Bill failed to get majority vote
FAILED MANDATE ENACTMENT	Bill imposing local mandate failed to get 2/3 vote
INDEF PP	Bill Indefinitely Postponed; bill died
ONTP (or Accepted ONTP report)	Ought Not To Pass report accepted; bill died
P&S XXX	Chapter # of enacted Private & Special Law
PUBLIC XXX	Chapter # of enacted Public Law
RESOLVE XXX	Chapter # of finally passed Resolve
UNSIGNED	Bill held by Governor
VETO SUSTAINED	Legislature failed to override Governor's Veto

The effective date for non-emergency legislation enacted in the Second Regular Session (R2) is June 30, 2008. The effective date for non-emergency legislation enacted in the First Special Session (S1) is July 18, 2008.<sup>1</sup> The effective date for legislation enacted as an emergency measure is specified in the enacted law summary for those bills. Any bill summarized in this document having an LD number less than 1932 was a bill carried over from the First Regular Session of the 123<sup>rd</sup> Legislature.

<sup>&</sup>lt;sup>1</sup> The session in which each law was enacted or finally passed (R2 or S1) is included in Appendix C.

### Joint Standing Committee on Utilities and Energy

#### **Enacted Law Summary**

Private and Special Law 2007, chapter 32 amends the charter of the Norway Water District in several ways. It clarifies the territorial limits of the Norway Water District. The law also amends the amount a trustee is entitled to receive for serving as trustee from \$50 to \$400 a year to reflect the current rate of compensation. It amends the charter by changing the way the district sets its rates and authorizes the district to enter into contracts with the Oxford Water District and to provide water service to the residents on Alpine Street in South Paris who are customers of the Norway Water District.

Private and Special Law 2007, chapter 32 was enacted as an emergency measure effective February 14, 2008.

### LD 2103 Resolve, Directing the Public Utilities Commission To Study Existing Barriers to Digital Telephone Service Access in Rural Areas of the State

ONTP

Sponsor(s)	Committee Report	Amendments Adopted
ROBINSON	ONTP	

This resolve directs the Public Utilities Commission to examine the issues associated with access in rural communities to digital telephone services, to identify existing barriers to such access and to develop a proposal to facilitate the provision of access to digital telephone service in rural areas of the State. The resolve directs the commission to submit a report, together with its recommendations and any necessary implementing legislation, no later than January 15, 2009 to the joint standing committee of the Legislature having jurisdiction over utilities matters.

### **LD 2104** An Act To Provide for Fairness and Accuracy in Utility Rate Setting

PUBLIC 550

Sponsor(s)	Committee Report	Amendments Adopted
BERRY	OTP-AM MAJ ONTP MIN	H-732

This bill includes three provisions related to utility rate setting as follows:

1. It requires the Public Utilities Commission to apply a penalty against a regulated utility upon a finding that the utility made a material misrepresentation or omission or engaged in any other misconduct in the course of a previous rate proceeding. It requires that the penalty be calculated to recover, at a minimum, the excess revenues collected by the utility resulting from the misrepresentation, omission or misconduct and that the penalty be refunded to ratepayers in the form of a credit on customer bills;

2. It requires the commission to conduct a rate of return revenue requirement and earnings review before adopting, replacing or renewing an alternative form of regulation (AFOR) for a telephone utility; and

3. It requires the commission to determine whether rates charged for local telephone service provided by Verizon since 2000 have been excessive and, if the commission determines that rates have been excessive, to order a refund to customers.

#### Committee Amendment "A" (H-732)

This amendment is the majority report of the committee. The amendment removes the provision in the bill regarding penalties for utility misconduct and removes the provision in the bill regarding potential refunds to local telephone customers of Verizon if past rates are found to be excessive. The amendment adds a provision to the bill to repeal language in current law governing an alternative form of regulation (AFOR) that requires the Public Utilities

### Joint Standing Committee on Utilities and Energy

Commission to ensure that, for the period of the AFOR, ratepayers may not be required to pay more for local phone service under the AFOR than they would have under traditional regulation. The amendment preserves the provision in the bill that requires the Public Utilities Commission to conduct a revenue requirement and earnings review of a telephone utility prior to the adoption or renewal of an AFOR and clarifies that this requirement applies when the AFOR includes a provision prohibiting a rate case for a set period of time. Finally, the amendment provides an application section to specify that the requirements established in this legislation do not apply to any AFOR proceeding that is pending on the effective date of this Act.

#### **Enacted Law Summary**

Public Law 2007, chapter 550 requires the Public Utilities Commission to conduct a revenue requirement and earnings review of a telephone utility prior to the adoption or renewal of an alternative form of regulation (AFOR) and clarifies that this requirement applies when the AFOR includes a provision prohibiting a rate case for a set period of time. These requirements do not apply to any AFOR proceeding that is pending on the effective date of this law.

#### LD 2117 An Act To Create the Starboard Water District

P & S 34 EMERGENCY

Sponsor(s)	Committee Report	
RAYE	OTP	

Amendments Adopted

This bill creates the Starboard Water District, subject to approval of the voters within the territory of the district in a referendum to be held by July 1, 2010.

#### **Enacted Law Summary**

Private and Special Law 2007, chapter 34 creates the Starboard Water District, subject to approval of the voters within the territory of the district in a referendum to be held by July 1, 2010.

Private and Special Law 2007, chapter 34 was enacted as an emergency measure effective February 20, 2008.

#### LD 2133 An Act To Amend the Cable Television Laws and Establish a Model Cable **Franchise Agreement**

**PUBLIC 548** 

Sponsor(s)	Committee Report	Amendments Adopted
BLISS BROMLEY	OTP-AM	H-777

This bill directs the Public Utilities Commission to adopt through rulemaking a model franchise agreement for cable television and video services for use by any municipality that chooses to adopt its provisions. It also directs the Public Utilities Commission to adopt by rule statewide consumer protection standards for cable television and video services customers, and it makes several changes to the laws regarding consumer rights and protection with respect to cable television and video services. It specifies that the Attorney General and the municipalities have jurisdiction to enforce the consumer protection standards. It also provides that a municipality is entitled to reasonable attorney's fees if successful in any enforcement action against a cable television provider. The bill adds "video service" throughout the laws governing cable television ordinances and consumer rights and protections related to cable television service.

#### Committee Amendment "A" (H-777)

The amendment makes the following changes to the bill: