

ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document

No. 1720

H. P. 1433 Referred to Committee on Energy. Sent up for concurrence and ordered printed. EDWIN H. PERT, Clerk

Presented by Mr. Hobbins of Saco. Cosponsors: Mr. Goodwin of South Berwick and Mr. Rolde of York.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED SEVENTY-FIVE

AN ACT to Create an Independent Supervisor to Review the Construction and Initial Operation of an Oil Refinery.

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

38 MRSA § 486-A is enacted to read:

§ 486-A. Independent review and supervision of oil refineries

Upon receipt of an application to construct and operate an oil refinery and any related facilities, including marine oil terminals, the board may employ such consultant or consultants as it deems necessary for the purpose of reviewing such application and providing expert analysis thereof, including where necessary testifying in any hearings held by the board with respect to such application. Such analysis, review and testimony shall not be subject to review, approval or control by the board, commissioner or other supervisory personnel of the department, but shall be performed by said consultants in a wholly independent capacity.

In the event said application is approved, such consultant or consultants shall supervise the construction of such refinery and facilities to insure compliance by the operator with all terms of such approval. Said consultant or consultants shall supervise operation of such facilities until 6 months after the operation of all facilities associated with said refinery and marine terminal. Said consultant or consultants shall regularly report to the board on the status of such facility and shall advise the board of any noncompliance by such refinery operator.

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Any person who applies for permission to construct and operate an oil refinery and any related facilities, including oil terminal facilities, shall, upon submission of such application, pay to the board an amount equal to 1/10 of 1% of the actual anticipated costs of design and construction thereof. Such moneys shall be used by the board exclusively for the purpose of paying the costs, fees and expenses of the foregoing consultant or consultants. Any amounts not so expended shall be promptly refunded to the applicant upon termination of the consultant services.

STATEMENT OF FACT

The purpose of this bill is to provide adequate independent consulting and enforcement services to the Board of Environmental Protection when it must process extraordinary applications under the Site Location Law. Such applications place a considerable strain on the limited resources and personnel of the department. In addition, complicated applications for oil refineries require expert review involving technical expertise not usually possessed by departmental staff members. In the past the department has retained such consultants to provide additional needed expertise. Any consultants would be wholly independent of the board and could express their opinions without pressure from any source.

In the event that the project was approved, the consultants would assist in enforcement of any conditions of approval.

The program is self financing since it places the cost upon the applicant. For a \$500,000,000 oil refinery, such cost would be \$500,000. Any excess fee paid by an applicant would be refunded at the termination of the consultant services.

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