

	FIRST	REGULAR SES	SION
ONE	HUNDRED AN	D ELEVENTH	LEGISLATURE
Legislative Do	cument		No. 1392
H.P. 1048		House of Re	presentatives, March 30, 1983
Submitted b Joint Rule 24.	y the Departmen	nt of Environmer	ntal Protection pursuant to
		on Energy and N. Ordered sent fo	
Cosponsors			EDWIN H. PERT, Clerk ro. Irn, Senator Twitchell of
	STA	TE OF MAINE	
N		YEAR OF OUR DRED AND EI	
	tee Deliver		ipalities to Solid Wastes to ities.
Be it enact follows:	ed by the P	eople of the	e State of Maine as
Sec. 1.	38 MRSA §	1304-B is e	nacted to read:
<u>§1304-B. D</u> <u>f</u>	elivery of acilities	solid wast	es to specific waste
the follow each munici domestic a the municip coverable palities ha	ing findin pality to p nd commerci ality. Sol resources, ve found th	gs of fact rovide a di al solid wa id waste co including at energy r	Legislature makes . The State requires sposal facility for ste generated within ntains valuable re- energy. Many munici- ecovery reduces the nergy recovery tech-
			nt requires a steady

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1 supply of waste to operate efficiently. Because of the complicated technology, most energy recovery 2 3 facilities have high capital costs and long payback 4 periods. In order to remain cost effective throughout 5 their lives, these energy recovery facilities require 6 a guaranteed, steady supply of waste. Consequently, 7 municipalities utilizing energy recovery facilities are usually required to enter long-term agreements to 8 9 provide the facilities with specific amounts of waste. In order to make these energy recovery facili-10 ties financially feasible, and thereby simultaneously 11 improve the environmental impacts and the economics of municipal solid waste disposal, municipalities 12 13 shall have the legal authority to control the han-14 15 dling of solid waste generated within their borders.

16 The purpose of this section is to promote the recov-17 ery of resources from solid waste by creating one of 18 the conditions which make energy recovery economi-19 cally feasible, assuring municipalities the authority 20 to guarantee a steady supply of solid waste to spe-21 cific waste facilities.

22 2. Flow control. Municipalities are expressly 23 authorized to enact ordinances that control solid waste collection, its transportation or its delivery 24 to a specific facility, when the purpose and effect 25 of such an ordinance is to gain management control over solid waste and enable the reclamation of 26 27 28 resources, including energy, from these wastes. This 29 authorization includes, but is not limitied to, ordi-30 nances:

- 31 A. Requiring segregation of wastes; and
- B. Requiring delivery of wastes generated within
  the municipality, or any portion of those wastes,
  to a designated disposal or reclamation facility.

35 3. Ordinances. This chapter shall not be con-36 strued as limiting the authority of any municipality 37 to enact ordinances for the regulation of solid waste 38 disposal, provided that these ordinances are not less 39 stringent than or inconsistent with this chapter or 40 the regulations adopted under this chapter.

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4. Contracts. Municipalities may contract with
 any person for the collection, transportation, stor age, processing, salvaging or disposal of wastes.
 Sec. 2. 38 MRSA §1305, sub-§2, as amended by PL
 1979, c. 541, Pt. A, §277, is repealed.
 Sec. 3. 38 MRSA §1305, sub-§3, as enacted by PL
 1973, c. 387, is repealed.

## STATEMENT OF FACT

9 Energy recovery is the extraction and use of 10 energy from solid waste. There are a number of ways 11 to extract this energy, but the most common method is 12 incinerating solid waste to produce hot water or 13 steam. The hot water or steam is then sold to offset 14 the cost of incineration.

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15 Energy recovery technology is complex and the equipment requires a steady supply of waste to oper-16 17 ate efficiently. Because of the complicated technology, energy recovery facilities have high capital 18 19 costs and long payback periods. In order to remain cost-effective throughout their lives, energy recov-20 21 ery facilities usually enter long-term agreements 22 with waste suppliers in order to guarantee that they have a steady supply of waste. In most cases, these 23 24 waste suppliers are municipalities.

Twenty-four municipalities have long-term contracts with Auburn's energy recovery facility which began operation in 1981. Several other groups of municipalities are actively working to develop similar facilities.

During the next 5 years, 120 to 150 municipali-30 ties will have to close solid waste disposal sites 31 32 that have reached capacity or are causing environ-33 mental damage. Over 50 of these municipalities may 34 turn to energy recovery as their most cost-effective 35 alternative. Landfill space is getting scarce and 36 is expensive. Energy recovery can reduce the energy 37 need for landfill space and provide a relatively inexpensive source of energy, if there is a large 38 39 enough waste supply to support the facility and a 40 reliable buyer for the energy produced.

In order to guarantee a steady waste supply, most 1 2 energy recovery facilities require participating 3 municipalities to enter long-term agreements to deliver a minimum amount of waste to the facility or 4 5 pay a penalty if insufficient waste is delivered. This type of agreement is known as a "put or pay" contract. The municipality must deliver the waste, 6 7 8 or pay for it anyway. In order to meet their contrac-9 tual obligations, most of these municipalities pass 10 ordinances requiring waste generated within the 11 municipality to be delivered to the facility with 12 whom the municipality has the contract. These ordiare often referred to as "flow control ordi-13 nances nances," because they control the flow of solid waste 14 15 from its point of generation to its point of dis-16 posal.

17 Municipalities need the express authority to 18 enforce this type of ordinance. Recent federal court 19 decisions, such as City of Lafayette v. Louisiana 20 Power and Light Company, 435 United States 389 (1978); California Retail Liquor Dealers Association 21 22 v. Midcal Aluminum, Incorporated, 445 United States 23 97, 1980; Community Communications Company, Incorporated v. City of Boulder, 50 United States L.W. 4144, 24 25 United States, January 13, 1982; and Hybud Equipment Corporation et al. v. City of Akron et al., 654 F. 2d 26 1187, 1981, vacated, 50 United States L.W. 27 3667, 28 United States, February 22, 1982, indicate that a state legislature must "clearly 29 articulate and 30 affirmatively express" a policy to promote energy recovery and authorize municipalities to control 31 32 their solid waste flow before these ordinances can 33 withstand judicial scrutiny. This bill establishes 34 that policy and affirms that authority.

35 Section 1 enacts a new Title 38, section 1304-B, 36 expressing the Legislature's intent to promote energy 37 recovery and authorizing municipalities to guarantee 38 delivery of their solid wastes to specific waste 39 facilities.

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