MAINE STATE LEGISLATURE

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| | L.D. 1692 |
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| 2 | DATE: 3.24.04 (Filing No. S-44)6 |
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| 6 | UTILITIES AND ENERGY |
| 8 | Reported by: MAJORITY |
| 10 | Reproduced and distributed under the direction of the Secretary of the Senate. |
| 12 | STATE OF MAINE |
| 14 | SENATE 121ST LEGISLATURE |
| 16 | SECOND SPECIAL SESSION |
| 18 | COMMITTEE AMENDMENT "A" to S.P. 624, L.D. 1692, Bill, "Ar |
| 20 | Act To Enhance Pine Tree Development Zones" |
| 22 | Amend the bill by striking out everything after the enacting clause and before the summary and inserting in its place the following: |
| 26 | 'Sec. 1. 30-A MRSA §5248, as enacted by PL 2003, c. 451, Pt. NNN, §2, is amended to read: |
| 28 | §5248. Procedure |
| 30 | Notice and hearing. Before designating a Pine Tree |
| 32 | Development Zone or adopting a development plan, the legislative bedy municipal officers of each applicant unit of local |
| 34 | government or the legislative-bedy's municipal officers' designed must hold at least one public hearing. Notice of the hearing |
| 36 | must be published at least 10 days before the hearing in a |
| 38 | newspaper of general circulation within-the unit-of serving the area of the State in which the local government is located. |
| 40 | 2. Vote of unit of local government legislative body. Each applicant unit of local government must designate that portion of |
| 12 | the Pine Tree Development Zone contained within its houndaries |

applicant unit of local government must designate that portion of the Pine Tree Development Zone contained within its boundaries and take all actions required to satisfy the requirements of section 5247, subsection 2 by majority vote of its <u>municipal officers or</u> legislative body.

3. Effective date. The establishment of a Pine Tree Development Zone is effective upon designation by the commissioner.

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- 4. Administration of zone. The participating units of local government may ereate an contract or otherwise arrange with a public or private organization, designate -- an -- existing department er agency or enter into a contractual arrangement with a -- private entity including a regional council as described in section 2302, to administer activities authorized under this subchapter. The organization may act as the lead entity for the purpose of applying for and administering the Pine Tree Development Zone.
 - Amendments. A--participating-unit--of--local--government may-amend-the-designation-of-that-portion-of The designation, size, location, number and configuration of the parcels in a Pine Tree Development Zone eentained -- within -- its -- boundaries -- er -- an adopted or the terms of a development plan enly-after-meeting-the requirements -- of -- this - section -- for -- designation -- of -- a - Pine -- Tree Development-Zone-or-adoption-of-a-development-plan-and-with-the eencurrence-of may be amended by an affirmative vote of all other the participating units of local government as evidenced by a majority vote of the municipal officers or legislative body of each unit of local government. A-participating-unit-of-lecal qovernment--may--not--amend--the--desiqnation--of--a--Pine--Tree Development -- Zone - if -- the - amendment -- would An amendment may not result in the zone's being out of compliance with any of the requirements in section 5247.

Sec. 2. 35-A MRSA §3210-A is enacted to read:

§3210-A. Electric utility and conservation benefits

- 1. Discount rates. Transmission and distribution utilities may offer discounted rates to qualified Pine Tree Development Zone businesses established under Title 30-A. If a transmission and distribution utility requires approval prior to offering any such rate, the transmission and distribution utility shall apply to the commission in accordance with applicable provisions of this Title, and the commission may approve the rate if it finds it to be in accord with applicable requirements of this Title, except that the commission may take into account the overall benefits to ratepayers resulting from state efforts to promote economic development within Pine Tree Development Zones.
- 2. Line extensions. When approving or authorizing line extension terms and conditions for qualified Pine Tree Development Zone businesses established under Title 30-A, the commission may take into account the overall benefits to ratepayers resulting from state efforts to promote economic development within Pine Tree Development Zones established pursuant to Title 30-A.

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| 3. | Conser | vation | proc | rams. | In | desi | gning | and | imple | ment | ing |
|-----------|---------|---------|--------|--------|-------|-------|----------|---------------|-------------|-------|---------|
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4. Electricity sales. Notwithstanding section 3210, the sale of electricity by a competitive electricity provider to a qualified Pine Tree Development Zone business established under Title 30-A is exempt from the requirements of that section and, at the request of the competitive electricity provider, sales to qualified Pine Tree Development Zone businesses must be excluded from any calculation by the commission to determine compliance with that section.

5. Repeal. This section is repealed December 31, 2009.

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SUMMARY

This amendment, which is the majority report of the Joint Standing Committee on Utilities and Energy, replaces the bill.

The amendment changes the procedures relating to the designation and amendment of Pine Tree Development Zones and associated development plans by local units of government to provide that municipal officers may act on behalf of each local unit of government and that a local unit of government may arrange with a public or private organization to administer the local Pine Tree Development Zone activities and to act as the lead administrative entity.

The amendment also adds provisions that authorize transmission and distribution utilities to offer discounted rates to qualified Pine Tree Development Zone businesses; authorize the Public Utilities Commission to take into account the overall benefits to ratepayers resulting from state efforts to promote economic development within Pine Tree Development Zones when approving discount rates, line extension terms and conditions or special conservation program benefits for qualified Pine Tree Development Zone businesses; and exempt sales of electricity to qualified Pine Tree Development Zone businesses from certain

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COMMITTEE AMENDMENT "A" to S.P. 624, L.D. 1692

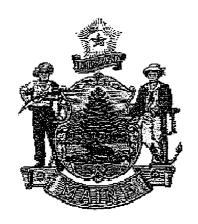
renewable portfolio requirements. These provisions are repealed on December 31, 2009.

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FISCAL NOTE REQUIRED (See attached)

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121st Maine Legislature Office of Fiscal and Program Review

LD 1692

An Act To Enhance Pine Tree Development Zones

LR 2622(02)

Fiscal Note for Bill as Amended by Committee Amendment "Committee: Utilities and Energy
Fiscal Note Required: Yes

Fiscal Note

Minor cost increase - Other Special Revenue Funds

Fiscal Detail and Notes

Additional costs to the Public Utilities Commission regarding utility rate reduction proceedings can be absorbed by the commission utilizing existing budgeted resources.