



# **123rd MAINE LEGISLATURE**

## FIRST REGULAR SESSION-2007

Legislative Document

No. 1071

H.P. 789

House of Representatives, March 6, 2007

### An Act Regarding Energy-generating Facilities

Reference to the Committee on Utilities and Energy suggested and ordered printed.

Millicent M. Mac Jarland

MILLICENT M. MacFARLAND Clerk

Presented by Representative ADAMS of Portland. Cosponsored by Senator BARTLETT of Cumberland and Representatives: BABBIDGE of Kennebunk, BERRY of Bowdoinham, EATON of Sullivan, EBERLE of South Portland, FLETCHER of Winslow, MacDONALD of Boothbay, MIRAMANT of Camden, RINES of Wiscasset.

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

Sec. 1. 38 MRSA §480-A, as enacted by PL 1987, c. 809, §2, is amended to read:

#### 3 §480-A. Findings; purpose

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4 The Legislature finds and declares that the State's rivers and streams, great ponds, submerged lands, fragile mountain areas, freshwater wetlands, significant wildlife habitat, 5 6 coastal wetlands and coastal sand dunes systems are resources of state significance. 7 These resources have great scenic beauty and unique characteristics, unsurpassed 8 recreational, cultural, historical and environmental value of present and future benefit to 9 the citizens of the State and that uses are causing the rapid degradation and, in some 10 cases, the destruction of these critical resources, producing significant adverse economic and environmental impacts and threatening the health, safety and general welfare of the 11 12 citizens of the State.

13 The Legislature further finds and declares that there is a need to facilitate research, 14 develop management programs and establish sound environmental standards that will 15 prevent the degradation of and encourage the enhancement of these resources. It is the 16 intention of the Legislature that existing programs related to Maine's rivers and streams, 17 great ponds, submerged lands, fragile mountain areas, freshwater wetlands, significant wildlife habitat, coastal wetlands and sand dunes systems continue and that the 18 19 Department of Environmental Protection provide coordination and vigorous leadership to 20 develop programs to achieve the purposes of this article. The well-being of the citizens of this State requires the development and maintenance of an efficient system of 21 22 administering this article to minimize delays and difficulties in evaluating alterations of 23 these resource areas.

The Legislature further finds and declares that the cumulative effect of frequent minor alterations and occasional major alterations of these resources poses a substantial threat to the environment and economy of the State and its quality of life.

27 Sec. 2. 38 MRSA §480-B, sub-§7, as amended by PL 1999, c. 243, §11, is
28 further amended to read:

7. Permanent structure. "Permanent structure" means any structure constructed or erected with a fixed location or attached to a structure with a fixed location for a period exceeding 7 months each year, including, but not limited to, causeways, piers, docks, concrete slabs, piles, marinas, retaining walls and buildings. <u>A floating structure attached</u> to submerged land by means of an anchor for a period exceeding 7 months each year is considered a permanent structure.

35 Sec. 3. 38 MRSA §480-B, sub-§8, as enacted by PL 1987, c. 809, §2, is amended
 36 to read:

8. Protected natural resource. "Protected natural resource" means coastal sand
dune system, coastal wetlands, <u>submerged lands</u>, significant wildlife habitat, fragile
mountain areas, freshwater wetlands, great ponds or rivers, streams or brooks, as these
terms are defined in this article.

1 Sec. 4. 38 MRSA §480-B, sub-§11 is enacted to read:

<u>11. Submerged lands.</u> "Submerged lands" has the same meaning as in Title 12,
 <u>section 1801, subsection 9.</u>

4 Sec. 5. 38 MRSA §630, first ¶, as enacted by PL 1983, c. 458, §18, is amended 5 to read:

6 This subarticle may be cited and referred to in proceedings and agreements as the 7 "Maine Waterway Hydropower Development and Water Resources Conservation Act."

8 Sec. 6. 38 MRSA §632, sub-§3, as enacted by PL 1983, c. 458, §18, is amended
9 to read:

3. Hydropower project. "Hydropower project" means any development which that 10 11 utilizes the flow of water as a source of electrical or mechanical power or which that regulates the flow of water for the purpose of generating electrical or mechanical power. 12 13 A hydropower project development includes all powerhouses, dams, water conduits, 14 transmission lines, water impoundments, roads and other appurtenant works and structures that are part of the development and, in the case of tidal power projects, also 15 includes all turbines, foundations and any other fixed or floating structures that are part of 16 the development. 17

18 Sec. 7. 38 MRSA §632, sub-§4 is enacted to read:

<u>4. Tidal power project.</u> "Tidal power project" means a hydropower project that
 converts the energy of tidal action into electricity.

21 Sec. 8. 38 MRSA §633, sub-§1, as affected by PL 1989, c. 890, Pt. A, §40 and 22 amended by Pt. B, §182, is further amended to read:

Permit required. No <u>A</u> person may <u>not</u> initiate construction or reconstruction of
 a hydropower project, or structurally alter a hydropower project in ways that change
 water levels or flows above or below the <u>a</u> dam <u>or structurally alter a tidal power project</u>,
 without first obtaining a permit from the department.

Sec. 9. 38 MRSA §634, sub-§1, as repealed and replaced by PL 1989, c. 309, §3
and affected by c. 890, Pt. A, §40 and amended by Pt. B, §183, is further amended to
read:

30 1. Coordinated permit review. Permits required under the following laws are not required by any state agency for projects reviewed or exempted from review under this 31 subarticle: natural resource protection laws, chapter 3, subchapter 1 1, article 5-A; site 32 33 location of development laws, chapter 3, subchapter 4 1, article 6; and land use regulation 34 laws, Title 12, chapter 206-A. Notwithstanding section 654, the department may attach 35 reasonable conditions consistent with this subarticle concerning the operation of 36 hydropower projects. The commissioner shall give written notice to the Commissioner of 37 Inland Fisheries and Wildlife and the Commissioner of Marine Resources of the intent of 38 any applicant for a permit to construct a dam or a tidal power project.

1 Sec. 10. 38 MRSA §635, sub-§3, as affected by PL 1989, c. 890, Pt. A, §40 and 2 amended by Pt. B, §184, is further amended to read:

3 3. Hearing. Schedule a hearing on the proposed project. <u>A hearing must be held</u> 4 prior to the department's approval or disapproval of any proposed tidal power project. 5 Any hearing held under this subsection must follow the notice requirements and 6 procedures for an adjudicatory hearing under Title 5, chapter 375, subchapter <del>IV</del> <u>4</u>. After 7 a hearing is held under this subsection, the department shall make findings of facts and 8 issue an order approving or disapproving the proposed project, as provided in subsections 9 1 and 2.

10 Sec. 11. 38 MRSA §636, sub-§7, ¶A, as amended by PL 1989, c. 309, §5, is 11 further amended to read:

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- A. Whether the project will result in significant benefit or harm to soil stability,
   coastal and inland wetlands or, the natural environment of any surface waters and
   their shorelands or submerged lands;
- 15 Sec. 12. 38 MRSA §636, sub-§7, ¶E, as amended by PL 1989, c. 309, §6, is
   16 further amended to read:
- 17 E. Whether the project will result in significant flood control benefits or flood18 hazards; and
- 19 Sec. 13. 38 MRSA §636, sub-§7, ¶F, as amended by PL 1989, c. 309, §6, is
   20 further amended to read:
- F. Whether the project will result in significant hydroelectric energy benefits,
   including the increase in generating capacity and annual energy output resulting from
   the project, and the amount of nonrenewable fuels it would replace.
- 24 Sec. 14. 38 MRSA §636, sub-§7, ¶G-1 is enacted to read:
- G-1. Whether, in the case of a tidal power project, the project will result in
   significant benefit or harm to marine resources, as defined in Title 12, section 6001,
   or to submerged or intertidal lands.

28 Sec. 15. Evaluation of laws and rules related to permits for tidal energy 29 projects. The Department of Environmental Protection, in collaboration with the Public 30 Utilities Commission, the Executive Department, State Planning Office, the Department 31 of Marine Resources, the Department of Conservation and the Atlantic Salmon 32 Commission, shall conduct a comprehensive review of the laws and regulations 33 governing the permitting of hydropower projects for the purpose of identifying 34 appropriate changes to these laws and rules to reflect the legal, policy and technical issues 35 presented by the development of tidal power and tidal energy generating facilities in the State. The Department of Environmental Protection shall coordinate this review with any 36 similar activities it is conducting under the State Enhancement Grant Program of the 37 38 National Oceanographic and Atmospheric Administration, Office of Ocean and Coastal 39 Resource Management. No later than January 1, 2008, the Department of Environmental 40 Protection shall submit a report on the results of the review, including recommendations, suggested legislation and proposed rule changes, to the Joint Standing Committee on Utilities and Energy, the Joint Standing Committee on Marine Resources and the Joint Standing Committee on Natural Resources. After reviewing the report, the Joint Standing Committee on Utilities and Energy is authorized to submit legislation related to the permitting of tidal power projects to the Second Regular Session of the 123rd Legislature.

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#### **SUMMARY**

7 This bill amends the laws governing the state permit process and requirements 8 permits for hydropower projects to address their application to hydropower projects that 9 use tidal energy to produce electricity. The bill requires that the Department of 10 Environmental Protection conduct an adjudicatory hearing prior to the approval or disapproval of a tidal power project. The bill also clarifies the existing hydropower 11 12 project approval criteria to account for the potential impacts of tidal power projects on marine resources and submerged or intertidal lands. The bill requires the Department of 13 14 Environmental Protection to lead a review of laws and rules governing the permitting of 15 hydropower projects to make recommendations to amend these laws and rules to reflect the legal, policy and technical issues presented by the development of tidal energy 16 17 projects and issue a report by January 1, 2008. The bill authorizes the Joint Standing 18 Committee on Utilities and Energy to submit legislation related to the permitting of tidal 19 power projects to the Second Regular Session of the 123rd Legislature following its 20 review of the report. Finally, this bill also adds references to submerged lands in the 21 natural resources protection laws.