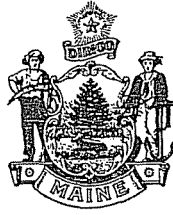


MAINE STATE LEGISLATURE

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124th MAINE LEGISLATURE

SECOND REGULAR SESSION-2010

Legislative Document

No. 1571

H.P. 1108

House of Representatives, December 21, 2009

An Act To Ensure That Maine's Energy Corridor Policy Does Not Harm Maine's Renewable Power Development

(EMERGENCY)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Received by the Clerk of the House on December 17, 2009. Referred to the Committee on Utilities and Energy pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative MARTIN of Eagle Lake.
Cosponsored by Senator JACKSON of Aroostook and
Representatives: CAIN of Orono, CAREY of Lewiston, FITTS of Pittsfield, MacDONALD of
Boothbay, THIBODEAU of Winterport, Senator: NUTTING of Androscoggin.

1 **Emergency preamble.** Whereas, acts and resolves of the Legislature do not
2 become effective until 90 days after adjournment unless enacted as emergencies; and

3 **Whereas,** the Legislature has previously recognized the importance of developing
4 renewable energy generation within the State with regard to achieving energy security,
5 price stability, environmental goals and economic development; and

6 **Whereas,** the State is currently developing a policy on the designation, development
7 and use of energy corridors; and

8 **Whereas,** an appropriate balance must be maintained between the State's energy
9 corridor policy and the State's renewable power development; and

10 **Whereas,** this legislation extends the reporting deadline of the Commission to Study
11 Energy Infrastructure; and

12 **Whereas,** in the judgment of the Legislature, these facts create an emergency within
13 the meaning of the Constitution of Maine and require the following legislation as
14 immediately necessary for the preservation of the public peace, health and safety; now,
15 therefore,

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

17 **Sec. 1. PL 2009, c. 372, Pt. F, §4, sub-§4** is amended to read:

18 **4. Duties; corridors; plan.** The commission shall examine the feasibility and effects
19 of the State entering into agreements for leasing or otherwise allowing the use of state-
20 owned lands or assets, including submerged lands, the rights-of-way of the state highway
21 system, the federal interstate highway system, state-owned or state-controlled rail
22 corridors or other state transportation corridors, for the installation of lines, cables,
23 pipelines or other structures for the transmission of energy resources, communication
24 transmission systems or related facilities. The commission shall develop a plan
25 governing such agreements that addresses at least the following:

26 A. Appropriate valuation, pricing and allocation methodologies to maximize the
27 long-term public value through the most efficient and effective use of the state-owned
28 lands and assets; and

29 B. The potential effect of such agreements on renewable energy development in the
30 State, on the development of other energy projects in the State, including but not
31 limited to liquefied natural gas terminals, on energy consumers and ratepayers and on
32 natural resources and the environment.

33 The commission shall make specific findings regarding the renewable and other energy
34 project development potential in this State before final adoption of the plan. In
35 developing the plan, the commission shall consider and give preference to energy project
36 development in this State.

37 The commission shall also examine the policy issues relating to the construction or
38 installation in this State of energy facilities greater than 75 miles in length. The

1 commission shall evaluate the need for changes in methods of taxation to ensure
2 protection of the public health, safety and welfare.

3 In developing the plan, the commission shall review and analyze relevant reports and
4 information, including but not limited to the information, analysis and results of the New
5 England States Regional Energy Blueprint being prepared by ISO-NE for the New
6 England Governors and the New England States' Committee on Electricity. The
7 commission shall also make findings of fact based on economic models developed by the
8 Executive Department, State Planning Office to assess employment, taxation and other
9 economic effects of power production in this State and the development of different types
10 of corridors in this State. The commission shall also examine and monitor proposed or
11 pending federal energy legislation that may significantly affect energy policy in this
12 State. The commission may also consider ways in which the State's electric transmission
13 systems, including new lines, system upgrades or the development of a smart-grid, or the
14 development of natural gas systems, including pipelines and liquefied natural gas
15 terminals, can help the State achieve its energy goals. The plan must also assess and
16 quantify the effect of the various options on consumers in this State in the short term and
17 the long term.

18 **Sec. 2. PL 2009, c. 372, Pt. F, §4, sub-§6** is amended to read:

19 **6. Report.** No later than ~~December 2, 2009~~ May 1, 2010, the commission shall
20 submit a report that includes its findings and recommendations, including suggested
21 legislation, for presentation to the ~~Second First~~ Regular Session of the ~~124th~~ 125th
22 Legislature. ~~The Joint Standing Committee on Utilities and Energy joint standing~~
23 ~~committee of the Legislature having jurisdiction over utilities and energy matters may~~
24 submit a bill related to the subject matter of the report to the ~~Second First~~ Regular Session
25 of the ~~124th~~ 125th Legislature after receipt of the report.

26 **Emergency clause.** In view of the emergency cited in the preamble, this
27 legislation takes effect when approved.

28 SUMMARY

29 This bill amends the laws that establish the Commission to Study Energy
30 Infrastructure, which must develop a plan for agreements for leasing or otherwise
31 allowing the use of state-owned lands or assets for the installation of lines, cables,
32 pipelines or other structures for the transmission of energy resources, communication
33 transmission systems or related facilities. The bill requires the commission to make
34 specific findings regarding the potential for the development of renewable and other
35 energy projects in this State before final adoption of an energy corridor plan. In
36 developing the plan, the commission is required to consider and give preference to energy
37 project development in this State. The commission is directed to also make findings of
38 fact based on economic models developed by the Executive Department, State Planning
39 Office to assess employment, taxation and other economic effects of power production in
40 this State and the development of different types of corridors in this State. The
41 commission is required to assess and quantify the effect of the various options on

1 consumers in this State in the short term and the long term. This bill also extends the
2 commission's report deadline to May 1, 2010.