

MAINE STATE LEGISLATURE

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STATE OF MAINE
116TH LEGISLATURE

SECOND REGULAR SESSION

BILL SUMMARIES
JOINT STANDING COMMITTEE
ON
UTILITIES

MAY 1994

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**ONE HUNDRED AND SIXTEENTH LEGISLATURE
SECOND REGULAR SESSION**

**JOINT STANDING COMMITTEE
BILL SUMMARIES**

MAY 1994

This document is a compilation of the bill summaries prepared by this office for the Joint Standing Committees and Joint Select Committees of the Maine Legislature. The volume is organized alphabetically by committee; within each committee, the summaries are arranged by LD number. A subject index is provided at the beginning of each committee's summaries.

The committee report or reports, the prime sponsor for each bill and the lead co-sponsor in each house if one has been designated are listed below each bill title. All adopted amendments are listed, by paper number, together with the sponsor for floor amendments. Final action on each bill is listed to the right of the title. Various types of final action are abbreviated as follows:

PUBLIC XXX

P&S XXX

RESOLVE XXX

CON RES XXX

EMERGENCY

ONTP

INDEF PP

FAILED ENACTMENT

FAILED EMERGENCY ENACTMENT

FAILED MANDATE ENACTMENT

DIED BETWEEN BODIES

CONF CMTE UNABLE TO AGREE

VETO SUSTAINED

UNSIGNED

DIED ON ADJOURNMENT

Chapter # of enacted Public Law

Chapter # of enacted Private & Special Law

Chapter # of enacted Resolve

Chapter # of Constitutional Resolution passed by both Houses

Enacted law takes effect sooner than 90 days

Ought Not to Pass report accepted

Bill Indefinitely Postponed

Bill failed to get majority vote

Emergency bill failed to get 2/3 vote

Bill imposing local mandate failed to get 2/3 vote

House & Senate disagree; bill died

Committee of Conference unable to agree; bill died

Legislature failed to override Governor's Veto

Not signed by Governor within 10 days

Action incomplete when session ended; bill died

These summaries were prepared by the analyst or analysts assigned to the committee. If you have any suggestions or comments on the summaries, please let us know.

5581LHS

2. The commission would have been required to complete a review of the plans by June 1, 1996;
3. By January 1, 1997, the commission would have been required to hold hearings on the plans and to submit to the Legislature its report on divestiture. The bill would have required that the report include a plan for complete divestiture by January 1, 2000. The bill would have allowed the commission to include alternate plans if the commission found that complete divestiture by the year 2000 was imprudent; and
4. The Joint Standing Committee on Utilities would have been authorized to report out a bill to the First Regular Session of the 118th Legislature in 1997 to make the statutory changes required to achieve divestiture.

**LD 1879 An Act to Enhance the Effectiveness of the Office of the
Public Advocate**

PUBLIC 633

SPONSOR(S)	COMMITTEE REPORT		AMENDMENTS ADOPTED
CARPENTER	OTP-AM	MAJ	S-445
	ONTP	MIN	S-514 VOSE

SUMMARY

This bill permits up to 10% of the Public Advocate's utility budget unspent at the end of a fiscal year to be carried forward for use in the following fiscal year. The bill proposed a complicated retroactivity provision. The bill also proposed to redesignate all employees of the office as confidential employees, thereby causing certain employment benefits that previously had been paid by the employees to be assumed by the office.

COMMITTEE AMENDMENT "A" (S-445), which was the majority report of the committee, changes the retroactive application of the Act to an effective date of June 30, 1994. The amendment also adds a fiscal note to the bill.

SENATE AMENDMENT "A" (S-514) removes the portion of the bill that proposed to make employees of the Public Advocate confidential, unclassified employees. The amendment also adds a new fiscal note to the bill.

**LD 1904 An Act to Establish the Maine Surplus Energy Auction
Program**

PUBLIC 662

SPONSOR(S)	COMMITTEE REPORT	AMENDMENTS ADOPTED
CARPENTER	OTP-AM	S-491
DONNELLY		

SUMMARY

This bill establishes the Maine Surplus Energy Auction Program within the Public Utilities Commission. The bill proposed to make surplus electricity available to the State's industrial and commercial users for 7 years at no less than marginal cost plus one cent. The bill also proposed to establish the surplus energy pool as 80% of the surplus electricity estimated to be available to the State's utilities.

COMMITTEE AMENDMENT "A" (S-491) preserves the basic features of the auction program established by the bill but alters the provisions of the bill as follows:

1. Removes the requirement that electricity auctioned under the Maine Surplus Energy Auction Program established by the bill be no lower than marginal cost plus one cent per kilowatt hour. Under this amendment, the rate may be no lower than marginal cost. The amendment also defines "marginal cost" to include delivery costs;
2. Modifies the criteria that a utility must employ in evaluating proposals under this program by:
 - A. Clarifying which types of proposals should be favored and which should not be favored;
 - B. Adding a criterion to discourage acceptance of proposals that could lead to competitive disadvantages for existing businesses that do not participate in or are not accepted under the program; and
 - C. Adding a criterion establishing a preference for proposals for new electric power uses that would not occur but for the program;
3. Adds a requirement that contracts entered into under the program be interruptible and terminable to ensure that only surplus energy or capacity is sold under the contract. This restriction mirrors the restriction currently governing the availability of incentive rates;
4. Clarifies that a utility may market electricity under other tariffs or contracts authorized by the Public Utilities Commission pursuant to other utility laws;
5. Clarifies how the commission is to determine the size of the total surplus electricity pool available during the term of the program: total surplus is defined as the amount of electricity not required to meet the utility's projected load during the program period and not needed to satisfy New England Power Pool requirements. This amendment establishes 80% of the total surplus as the amount of electricity available to be auctioned under the pool. The amendment also expressly provides that the commission is authorized further to restrict the size of the available pool to the extent necessary to protect ratepayers. The commission determines the period during which surplus will be available under the program;
6. Makes a variety of editorial changes to clarify the meaning of the bill and to conform the language of the bill to traditional drafting standards and adds a fiscal note to the bill.

**LD 1947 An Act to Establish an Alternative Form of
Telecommunications Regulation in the State**

PUBLIC 638

SPONSOR(S)	COMMITTEE REPORT		AMENDMENTS ADOPTED
DUTREMBLE D	OTP-AM	MAJ	S-492
CARPENTER	ONTP	MIN	

SUMMARY

This bill proposed to direct the Public Utilities Commission to adopt an alternative form of regulation for large telephone utilities in the State.

COMMITTEE AMENDMENT "A" (S-492), which was the majority report of the Committee, permits the commission to adopt an alternative form of regulation for any telephone utility. The amendment:

1. Requires that the Public Utilities Commission's status report on telecommunications, required under current law, be provided to the Joint Standing Committee on Utilities and the Joint Standing Committee on Housing and Economic Development;