

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

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;

2. Clarifies the definition of "alternative form of regulation";
3. Provides that the Public Utilities Commission is not required to adopt an alternative form of regulation and that nothing in the bill may be construed to require the commission to adopt any alternative form of regulation;
4. Specifically provides that ratepayers, as a result of the implementation of any alternative form of regulation, will not pay more for local telephone service;
5. Adds 2 new conditions on the adoption of an alternative form of regulation designed to ensure that certain charges will continue to be nondiscriminatory and that consumer and competitive safeguards will be established;
6. Removes language that suggested that the only alternative forms of regulation that would encourage new telecommunications services would be the deregulation of those services;
7. Alters the implementation requirements of the bill. Under the amendment:
 - A. The Public Utilities Commission is authorized to adopt an alternative form of regulation by May 15, 1995. If the commission adopts such regulation by that date, the regulation takes effect 90 days after the adjournment of the First Regular Session of the 117th Legislature. The commission must report to the Joint Standing Committee on Utilities on its activities and submit any adopted alternative form of regulation by May 16, 1995;
 - B. If the Public Utilities Commission fails to adopt an alternative form of regulation by May 15, 1995, it must conclude any proceeding it undertakes to adopt such alternative form of regulation by February 1, 1996. The commission must report to the Joint Standing Committee on Utilities on its activities by February 2, 1996 and the report must include any alternative form of regulation adopted by the commission. Regulations adopted between May 15, 1995 and February 1, 1996 take effect 90 days after the adjournment of the Second Regular Session of the 117th Legislature; and
 - C. The Joint Standing Committee on Utilities may report out legislation regarding telecommunications regulation to the First or Second Regular Session of the 117th Legislature;
8. In light of the new reporting requirements imposed under this amendment on the Public Utilities Commission in 1995 and 1996, provides a later date for the annual report that the commission must provide to the Joint Standing Committee on Utilities describing its activities regarding alternative forms of regulation;
9. Makes technical changes to the bill for purposes of clarity and adds a fiscal note to the bill.

LD 1957 An Act to Provide Funding to Support Maine Energy Policy

INDEF PP

SPONSOR(S)

COMMITTEE REPORT

AMENDMENTS ADOPTED

TARDY

SUMMARY

This bill was not referred to any committee. The issues it raised, however, were of special interest to the Utilities Committee and so it is included here.

The bill proposed to establish a new tax on the revenues of qualifying facilities at rates ranging from 33% to 66%. The proceeds of the tax would have been paid to the utility to offset costs of purchasing power from qualifying facilities. An exemption from the tax was proposed for municipal solid waste energy recovery facilities. (See LD 1997).