## MAINE STATE LEGISLATURE

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#### STATE OF MAINE 118TH LEGISLATURE

#### SECOND REGULAR SESSION AND SECOND SPECIAL SESSION

# BILL SUMMARIES JOINT STANDING COMMITTEE ON UTILITIES AND ENERGY

#### **MAY 1998**

MEMBERS: Sen. Richard J. Carey, Chair Sen. John J. Cleveland Sen. Philip E. Harriman

Rep. Kyle W. Jones, Chair Rep. Carol A. Kontos Rep. Ronald E. Usher Rep. Gary O'Neal Rep. Patrick Colwell Rep. Charles C. LaVerdiere Rep. Joseph B. Taylor Rep. Henry L. Joy Rep. Donald P. Berry, Sr. Rep. John W. Vedral, III

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#### ONE HUNDRED EIGHTEENTH LEGISLATURE SECOND REGULAR AND SECOND SPECIAL SESSIONS

## Summary Of Legislation Before The Joint Standing Committees May 1998

We are pleased to provide this summary of bills that were considered by the Joint Standing Committees of the Maine Legislature. The document is a compilation of bill summaries which describe each bill and relevant amendments, as well as the final action taken. Also included are statistical summaries of bill activity this Session for the Legislature and each of its joint standing committees.

The document is organized for convenient reference to information on bills handled by the joint standing committees. It is organized by committees and within committees by bill (LD) number. The committee report(s), prime sponsor for each bill and the lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are listed by paper number. Two indices, a subject index and a numerical index by LD number are provided for easy reference to bills. They are located at the back of the document. A separate publication, <u>History and Final Disposition of Legislative Documents</u>, may also be helpful in providing information on the disposition of bills. These bill summaries also are available at the Law and Legislative Reference Library and on the Internet (www.state.me.us/legis/opla).

Final action on each bill is noted to the right of the bill title. The abbreviations used for various categories of final action are as follows:

| CON RES XXX                    |   |
|--------------------------------|---|
| CONF CMTE UNABLE TO AGREE      |   |
| DIED BETWEEN BODIES            | House & Senate disagree; bill died                                      |
| DIED IN CONCURRENCE            | One body accepts ONTP report; the other indefinitely postpones the bill |
| DIED ON ADJOURNMENT            | Action incomplete when session ended; bill died                         |
|                                | Enacted law takes effect sooner than 90 days                            |
|                                | PASSAGEEmergency bill failed to get 2/3 vote                            |
| FAILED ENACTMENT/FINAL PASSAGE | Bill failed to get majority vote  |
| FAILED MANDATE ENACTMENT       | Bill imposing local mandate failed to get 2/3 vote                      |
| INDEF PP                       | Bill Indefinitely Postponed Ought Not To Pass report accepted           |
| ONTP                           | Ought Not To Pass report accepted                                       |
| <i>OTP ND</i>                  |   |
| <i>OTP ND/NT</i>               |   |
| P&S XXX                        |   |
|                                |   |
| RESOLVE XXX                    |   |
| UNSIGNED                       | Bill held by Governor   |
| VETO SUSTAINED                 | Legislature failed to override Governor's Veto                          |

Please note the effective date for all non-emergency legislation enacted in the Second Regular Session (unless otherwise specified in a particular law) is June 30, 1998 and July 9,1998 for the Second Special Session. Second Special Session laws include Public Laws beginning with Chapter 718, Private and Special Laws beginning with Chapter 82 and Resolves beginning with Chapter 117.

#### LD 1926

#### An Act to Provide Additional Time for the Public Utilities Commission to Adopt Certain Rules

PUBLIC 569 EMERGENCY

 Sponsor(s)
 Committee Report
 Amendments Adopted

 CAREY
 OTP

LD 1926 proposed to extend the time within which the Public Utilities Commission must adopt rules creating any exemption from the requirement that telephone utilities obtain approval from the commission before providing service in the State.

#### Enacted law summary

Public Law 1997, chapter 569 extends the time within which the Public Utilities Commission must adopt rules creating any exemption from the requirement that telephone utilities obtain approval from the commission before providing service in the State. Chapter 569 was enacted as an emergency measure effective February 25, 1998.

LD 1935

#### **An Act Regarding Electric Utilities**

**PUBLIC 710** 

Sponsor(s)Committee ReportAmendments AdoptedKONTOSOTP-AMH-984

LD 1935 proposed to provide express authorization for investor-owned electric utilities to transfer, in accordance with the divestiture requirements of the electric industry restructuring law, good title to generation assets acquired pursuant to state law.

Committee Amendment "A" (H-984) proposed to replace the bill. This amendment proposed to create a definition of "excluded electric plant" which in turn would result in a change in the definition of "electric utility". Under this amendment, ownership of excluded electric plant would not cause an entity to be considered an electric utility or to be subject to regulation as an electric utility under the Maine Revised Statutes, Title 35-A. Prior to March 1, 2000, "excluded electric plant" would include generators used to produce energy sold at wholesale, small power producers, cogenerators, electric generation enterprises and self generators. After February 29, 2000, "excluded electric plant" would include all generation assets, other than assets held by an electric utility, thereby largely deregulating generation service.

The amendment proposed to grant a limited authorization to electric utilities to transfer certain rights, privileges or immunities that have been granted by law to the electric utilities. The amendment proposed to limit the authorization as follows.

- 1. No authorization would be given if there were an express provision in law denying authorization to transfer the rights, privileges or immunities.
- 2. If by law the rights, privileges or immunities may only be transferred upon condition, the condition would have to be met.
- 3. The authorization would include only those rights, privileges and immunities that are generation assets or that are necessary to the ownership or operation of generation assets required by law to be divested.

- 4. The authorization would be conditioned on the utility providing the law granting the right, privilege or immunity to the Public Utilities Commission and the commission making a written finding that the law does in fact grant rights, privileges or immunities that are generation assets or that are necessary to the ownership or operation of generation assets required to be divested.
- 5. The authorization would not exempt an electric utility from complying with other requirements of law, including obtaining Public Utilities Commission approval for the transfer of the assets.
- 6. The authorization would not extinguish or affect any lawful rights, privileges or immunities that any person, entity or the public may have in any property held or transferred by an electric utility.
- 7. The authorization would not permit the sale or transfer of any right of eminent domain and any right of eminent domain held by an electric utility would terminate upon the divestiture of assets to which the right relates.

#### Enacted law summary

Public Law 1997, chapter 710 grants a limited authorization to electric utilities to transfer certain rights, privileges or immunities that have been granted by law to the electric utilities which the utilities are required by law to divest.

The law also creates a definition of "excluded electric plant." Under this definition, ownership of excluded electric plant does not cause an entity to be considered an electric utility or to be subject to regulation as an electric utility under the Maine Revised Statutes, Title 35-A. Prior to March 1, 2000, "excluded electric plant" includes generators used to produce energy sold at wholesale, small power producers, cogenerators, electric generation enterprises and self generators. After February 29, 2000, "excluded electric plant" includes all generation assets, other than assets held by an electric utility, thereby largely deregulating generation service.

#### LD 1937

An Act to Restore the Requirement That Certain Expenditures of the Waldoboro Utility District Be Approved by District Vote

P & S 60 EMERGENCY

| Sponsor(s) | Committee Report | Amendments Adopted |
|------------|------------------|--------------------|
| SPEAR      | OTP              |                    |

LD 1937 proposed to restore language to the Waldoboro Utility District charter that requires any single expenditure in excess of \$100,000 be approved by district vote. This language was removed by P&SL 1997, chapter 18.

#### Enacted law summary

Private and Special Law 1997, chapter 60 restores language to the Waldoboro Utility District charter that requires any single expenditure in excess of \$100,000 be approved by district vote. Chapter 60 was enacted as an emergency measure effective March 5, 1998.