## MAINE STATE LEGISLATURE

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# State Of Maine 121st Legislature

# Second Regular Session and Second Special Session

## **Bill Summaries**

## Joint Standing Committee on Utilities and Energy

May 2004

### <u>Members</u>:

Sen. Christopher G. L. Hall, Chair Sen. Lynn Bromley Sen. Edward M. Youngblood

> Rep. Lawrence Bliss, Chair Rep. Herbert Adams Rep. Albion D. Goodwin Rep. Peter L. Rines Rep. Jacqueline A. Lundeen Rep. Donald P. Berry, Sr. Rep. Philip A. Cressey, Jr. Rep. Kenneth C. Fletcher Rep. Maitland E. Richardson

<u>Staff</u>: Jon Clark, Senior Analyst

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## Maine State Legislature



## Office Of Policy And Legal Analysis Office Of Fiscal And Program Review

## 121st Maine Legislature Second Regular Session and Second Special Session

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

Enclosed please find a summary of all bills, resolves, joint study orders, joint resolutions and Constitutional resolutions that were considered by the joint standing and joint select committees of the Maine Legislature this past session. 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 considered by the committees. It is arranged alphabetically by committee name 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, History and Final Disposition of Legislative Documents, 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/billsumm.htm).

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:

|  | Chapter # of Constitutional Resolution passed by both Houses                            |
|--|---|
|  |   |
|  | ly accepts ONTP report; the other indefinitely postpones the bill                       |
|  | Action incomplete when session ended; bill died   |
| EMERGENCY                                | Enacted law takes effect sooner than 90 days  |
| FAILED EMERGENCY ENACTMENT/FINAL PASSAGE | Emergency 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                                      |
| NOT PROPERLY BEFORE THE BODY             | Ruled out of order by the presiding officers; bill died                                 |
| INDEF PP                                 | Bill Indefinitely Postponed   |
| ONTP                                     | Bill Indefinitely PostponedOught Not To Pass report accepted                            |
| OTP-ND                                   | Committee report Ought To Pass In New Draft   |
| P&S XXX                                  |   |
| PASSED                                   | Joint Order passed in both bodies   |
| PUBLIC XXX                               | Chapter # of enacted Public Law   |
| RESOLVE XXX                              | Chapter # of finally passed Resolve   |
| UNSIGNED                                 | Chapter # of enacted Public LawChapter # of finally passed ResolveBill held by Governor |
| VETO SUSTAINED                           | Legislature failed to override Governor's Veto  |

Please note that the effective date for all non-emergency legislation enacted in the Second Regular Session (unless otherwise specified in a particular law) is April 30, 2004; and non-emergency legislation enacted in the Second Special Session is July 30, 2004. Four bills (LD's 1572, 1629, 1636 and 1637) that were considered at the First Special Session in August 2003 are also included in these summaries.

### Joint Standing Committee on Utilities and Energy

LD 671

## An Act To Facilitate the Development of Cost-effective Distributed Electricity Generation in the State

**PUBLIC 555** 

| Sponsor(s) | Committee Report |     | Amendments Adopted |
|------------|------------------|-----|--------------------|
| HALL       | OTP-AM           | MAJ | S-399              |
|            | ONTP             | MIN |                    |

LD 671, which was carried forward from the First Regular Session, proposed to do the following:

- 1. Establish a regulatory structure for distributed generation designed to remove barriers to the development of distributed generation in this State;
- 2. Require the Public Utilities Commission to establish rules governing the retail sale of excess electricity from a distributed generator;
- 3. Authorize the commission to require a transmission and distribution utility to purchase excess electricity from a distributed generator and resell it at wholesale;
- 4. Direct the commission to allow certain distributed generators to elect a net energy billing arrangement; and
- 5. Direct the commission to examine and address issues related to distributed generation and report back to the Joint Standing Committee on Utilities and Energy by January 1, 2004.

Committee Amendment "A" (S-399), which was the majority report of the Joint Standing Committee on Utilities and Energy, proposed to replace the bill. This amendment proposed to require standard-offer service providers that serve areas of this State within the New England independent system operator control area to purchase the output of generators with a capacity of 5 megawatts or less at a price that is financially neutral to the standard-offer service providers. It proposed to direct the commission to require standard-offer service providers that serve the northern region of the State to purchase the output of such generators if it finds that the market design in that region will accommodate such purchases.

#### **Enacted Law Summary**

Public Law 2003, chapter 555 requires standard-offer service providers that serve areas of this State within the New England independent system operator control area to purchase the output of generators with a capacity of 5 megawatts or less at a price that is financially neutral to the standard-offer service providers. The commission is directed to require standard-offer service providers that serve the northern region of the State to purchase the output of such generators if it finds that the market design in that region will accommodate such purchases.