

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

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Members:

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Sen. Lynn Bromley
Sen. Edward M. Youngblood*

*Rep. Lawrence Bliss, Chair
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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:

- CON RES XXX..... Chapter # of Constitutional Resolution passed by both Houses
- CONF CMTE UNABLE TO AGREE Committee of Conference unable to agree; bill died
- 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
- 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..... Ought Not To Pass report accepted
- OTP-ND Committee report Ought To Pass In New Draft
- P&S XXX..... Chapter # of enacted Private & Special Law
- PASSED..... Joint Order passed in both bodies
- PUBLIC XXX..... Chapter # of enacted Public Law
- RESOLVE XXX..... Chapter # of finally passed Resolve
- UNSIGNED..... Bill 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.

David C. Elliott, Director
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Joint Standing Committee on Utilities and Energy

Public Law 2003, chapter 558 replaces the requirement that a competitive electricity provider annually provide information disclosures to all consumers with a requirement that the provider annually provide the information to all residential and small commercial consumers. It also replaces the special statutory limitations on telemarketing by competitive electricity providers, which require the Public Utilities Commission to maintain a "do-not-call list," with a reference to the general federal and state "do-not-call" telemarketing limitations (this provision was drawn from LD 1740 to avoid a technical conflict).

LD 1750

An Act To Improve the Ability of Water Utilities To Maintain a Contingency Allowance

PUBLIC 529

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| BLISS HALL | OTP-AM | H-676 |

LD 1750 proposed to change the law governing the contingency reserve allowance for consumer-owned water utilities. The bill proposed to eliminate the requirement that revenues generated by the allowance be placed in a separate fund and so eliminate specific caps (based on the size of the utility) governing amounts that may be collected in the fund and the limitations on the use of the fund. The bill proposed to eliminate the requirement that if a utility over-collects under its allowance for 3 consecutive years, it must notify its ratepayers and hold a public hearing; it also proposed to change the standards governing when the Public Utilities Commission may require rate reductions or credits to address over-collections. The bill also proposed to eliminate an obsolete grandfathering clause.

Committee Amendment "A" (H-676) proposed to replace the bill but preserve the substance of many of the bill's provisions. As in the bill, the amendment proposed to eliminate the requirement that consumer-owned water utilities establish a separate fund to collect contingency allowance collections. The amendment proposed to permit a contingency allowance of up to 10% of revenues for small utilities with total annual revenues of no more than \$85,000 (it proposed to preserve the 5% cap for larger utilities). It proposed to specify that amounts collected through the allowance may be spent only for purposes for which other revenues may lawfully be spent and clarify that all such expenditures are subject to Public Utilities Commission review. It proposed to preserve the provision of existing law that specifies that if a utility collects amounts that the Public Utilities Commission determines to be inconsistent with just and reasonable rates, the commission may require rate reductions or credits. It proposed to preserve the current law's requirement that if a utility over-collects under its allowance for 3 consecutive years, it must notify its ratepayers and hold a public hearing. It proposed to provide that such notice to ratepayers must be provided no later than July 1st of the calendar year following the 3rd consecutive year of over-collection. It also proposed to remove or change, as appropriate, references to the contingency fund in other sections of law.

Enacted Law Summary

Public Law 2003, chapter 529 eliminates the requirement that consumer-owned water utilities establish a separate fund to collect contingency allowance collections. It permits a contingency allowance of up to 10% of revenues for small utilities with total annual revenues of no more than \$85,000 (it preserves the current 5% limit for larger utilities). It specifies that amounts collected through the allowance may be spent only for purposes for which other revenues may lawfully be spent and clarifies that all such expenditures are subject to Public Utilities Commission review. It preserves a provision of existing law that if a utility collects amounts that the Public Utilities Commission determines to be inconsistent with just and reasonable rates, the commission may require rate

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reductions or credits. It preserves the current law's requirement that if a utility over-collects under its allowance for 3 consecutive years, it must notify its ratepayers and hold a public hearing. It provides that such notice to ratepayers must be provided no later than July 1st of the calendar year following the 3rd consecutive year of over-collection. It also removes or changes, as appropriate, references to the contingency fund in other sections of law.

LD 1751

An Act To Create Consistency between State and Federal Telephone Consumer Protection Laws

PUBLIC 530

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| BLISS HALL | OTP | |

LD 1751 proposed to amend the so-called “slamming law” that protects consumers from the unauthorized initiation (change) of service by a local or intrastate interexchange carrier. The bill proposed to correct a cross reference to telemarketing laws which were reallocated to a new subchapter in Title 32 by Public Law 2001, chapter 324; to clarify that electronic authorization of service initiation is allowed (Title 10 section 9407 allows this; it is also consistent with federal “slamming” rules); to require carriers to retain records for 24 months rather than 12 months, consistent with recent changes to federal rules; to remove a requirement that an interexchange carrier who slams a customer transfer that customer back to the customer’s original carrier (this function is in fact carried out by the original carrier or through the PUC); and to remove reference to a federal rule repealed in 1999.

Enacted Law Summary

Public Law 2003, chapter 530 amends the so-called “slamming law” that protects consumers from the unauthorized initiation (change) of service by a local or intrastate interexchange carrier. It corrects a cross reference to telemarketing laws that were reallocated by Public Law 2001, chapter 324 to a new subchapter in Title 32; clarifies that electronic authorization of service initiation is allowed (Title 10 section 9407 allows this -- it is also consistent with federal “slamming” rules); requires carriers to retain records for 24 months rather than 12 months, consistent with recent changes to federal rules; removes a requirement that an interexchange carrier who slams a customer transfer that customer back to the customer’s original carrier (this function is in fact carried out by the original carrier or through the PUC); and removes reference to a federal rule repealed in 1999.

LD 1819

An Act To Implement the Recommendations of the Study Group To Examine an Emergency Alert Notification System for Deaf and Hard-of-hearing Individuals

PUBLIC 553

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|--------------------------|---------------------------|
| | OTP-AM MAJ OTP-AM MIN | S-396 |

LD 1819 included the legislative recommendations of the Study Group to Examine an Emergency Alert Notification System for Deaf and Hard-of-hearing Individuals.