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

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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 |
|--|---|
| | |
| | y 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 PostponedOught Not To Pass report accepted |
| ONTP | Ought Not To Pass report accepted |
| OTP-ND | |
| P&S XXX | Chapter # of enacted Private & Special Law Joint Order passed in both bodiesChapter # of enacted Public Law |
| PASSED | Joint Order passed in both bodies |
| PUBLIC XXX | Chapter # of enacted Public Law |
| RESOLVE XXX | |
| 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.

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House Amendment "AA" proposed to add a new Part FFFF (which became Part IIII in chapter 673) relating to the so-called schools and libraries program at the PUC. It proposed to direct the PUC, when determining the level of financial assistance from the Maine Telecommunications Education Access Fund (MTEAF) to qualified libraries, to mitigate the impact of lost federal funding in those cases in which libraries have determined they cannot meet the conditions for receiving federal funds without substantially compromising their standards or missions.

LD 1929

An Act To Promote Economic Development in the State by Encouraging the Production of Electricity from Renewable and Indigenous Resources PUBLIC 665

| Sponsor(s) | Committee |
|------------|-----------|
| LUNDEEN | OTP- |
| KNEELAND | |

Amendments Adopted H-886

LD 1929 proposed to amend Maine's eligible resources portfolio standard (RPS). It proposed to modify the definition of "renewable resource" by removing reference to facilities that qualify under PURPA as "small power production facilities" (generally under 80MW facilities that use renewable fuels, as defined in federal rules); adding landfill gas (under 100MW); and requiring, in order to qualify for the RPS, that 50% of any wind power be on land of a tribe recognized after 1/1/1979. It proposed to preserve current 30% standard (which may be met with renewable or efficient resources). It proposed to create a new Tier 2 portfolio requirement starting March 1, 2005. Eligibility for Tier 2 would be limited to a subset of "renewable resources" (only generators using fuel cells, tidal, solar, wind, geothermal and landfill gas); the requirement would begin at 1% and increase ½%/year, reaching 5% in 2013. It would provide for an alternative compliance payment of \$35/MWH and create a fund into which such payments would be made; it would direct the PUC to disburse collected funds as per MWH payments to Tier 2 eligible resources; it would direct the PUC to report its recommendations (on what is not specified) by Dec. 15, 2007. It would allow for credit trading to meet the Tier 2 requirements.

Committee Amendment "A" (H-886) proposed to replace the bill. The amendment proposed to accomplish the following.

- 1. It proposed to direct the Public Utilities Commission to inform consumers in this State of the benefits of electricity generated in this State using renewable resources and authorize the commission to create a brand or logo to identify such resources.
- 2. It proposed to direct the Public Utilities Commission to adopt major substantive rules establishing standards and procedures for incorporating renewable resources that are constructed after March 1, 2004 into standard-offer service. The rules must be submitted for legislative review by March 1, 2005.
- 3. It proposed to establish legislative findings with regard to wind energy production in this State.
- 4. It proposed to direct the Public Utilities Commission to monitor markets and sale opportunities accessible to wind power installations in this State to determine whether such markets and opportunities are available for the sale of wind energy and authorizes the commission, in consultation with the Attorney General, to initiate regulatory and other legal action to protect access to markets by wind power facilities located in Maine.

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5. It proposed to direct the Public Utilities Commission to conduct a study of the viable potential for wind power facilities in the State and to review what qualifies as renewable resources in the Maine Revised Statutes, Title 35-A to determine whether changes may be appropriate and to issue a report of its findings and recommendations by March 15, 2005.

Enacted Law Summary

Public Law 2003, chapter 665 accomplishes the following.

- 1. It directs the Public Utilities Commission to inform consumers in this State of the benefits of electricity generated in this State using renewable resources and authorizes the commission to create a brand or logo to identify such resources.
- 2. It directs the Public Utilities Commission to adopt major substantive rules establishing standards and procedures for incorporating renewable resources that are constructed after March 1, 2004 into standard-offer service. The rules must be submitted for legislative review by March 1, 2005.
- 3. It establishes legislative findings with regard to wind energy production in this State.
- 4. It directs the Public Utilities Commission to monitor markets and sale opportunities accessible to wind power installations in this State to determine whether such markets and opportunities are available for the sale of wind energy and authorizes the commission, in consultation with the Attorney General, to initiate regulatory and other legal action to protect access to markets by wind power facilities located in Maine.
- 5. It directs the Public Utilities Commission to conduct a study of the viable potential for wind power facilities in the State and to review what qualifies as renewable resources under Title 35-A, section 3210 to determine whether changes may be appropriate and to issue a report of its findings and recommendations by March 15, 2005.

LD 1935 An Act To Create the Starboard Water District

P & S 47 EMERGENCY

| Sponsor(s) | Committee Report | | Amendments Adopted |
|------------|------------------|-----|--------------------|
| SHOREY | OTP-AM | MAJ | S-484 |
| BUNKER | ONTP | MIN | |

LD 1935 proposed to create the Starboard Standard Water District.

Committee Amendment "A" (S-484), which was the majority report of the Joint Standing Committee on Utilities and Energy, proposed to change the territory of the Starboard Water District. The amendment also proposed to delete the special qualifications specified in the bill for the board of trustees of the district.

Enacted Law Summary