

State Of Maine 122nd Legislature

First Regular Session and First Special Session

Bill Summaries

Joint Standing Committee on Utilities and Energy

August 2005

<u>Members:</u> Sen. Philip L. Bartlett II, Chair Sen. Scott W. Cowger Sen. Carol Weston

Rep. Lawrence Bliss, Chair Rep. Herbert Adams Rep. Peter L. Rines Rep. Christopher W. Babbidge Rep. John R. Brautigam Rep. Kenneth C. Fletcher Rep. Maitland E. Richardson Rep. Philip A. Curtis Rep. Stacey Allen Fitts Rep. Everett W. McLeod, Sr.

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

Office of Policy and Legal Analysis 13 State House Station Augusta, ME 04333 (207) 287-1670

Maine State Legislature



OFFICE OF POLICY & LEGAL ANALYSIS 13 State House Station, Room 215 Cross State Office Building Augusta, Maine 04333-0013 Telephone: (207) 287-1670 Fax: (207) 287-1275

122nd Legislature First Regular Session and First Special Session

Summary of Legislation Considered by the Joint Standing Committees August 2005

Enclosed please find a summary of all bills, resolves, joint study orders, joint resolutions and Constitutional resolutions that were considered by the joint standing 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 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. A subject index for each committee is included immediately before the bill summaries for that committee, and a numerical index by LD number is included 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:

| CARRIED OVER | Bill Carried Over to Second Regular Session |
|--------------------------------------|---|
| CON RES XXX | Bill Carried Over to Second Regular Session |
| 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 |
| | Action incomplete when session ended; bill died |
| EMERGENCY | Enacted law takes effect sooner than 90 days |
| FAILED EMERGENCY ENACTMENT/FINAL PAS | SAGE Emergency bill failed to get 2/3 vote |
| FAILED ENACTMENT/FINAL PASSAGE | Bill failed to get majority vote |
| FAILED MANDATE ENACTMENT | |
| NOT PROPERLY BEFORE THE BODY | |
| INDEF PP | |
| ONTP | |
| OTP ND | Committee report Ought To Pass In New Draft |
| OTP ND/NT | Committee report Ought To Pass In New Draft/New Title |
| P&S XXX | Chapter # of enacted Private & Special Law |
| PUBLIC XXX | Chapter # of enacted Public Law |
| | Chapter # of finally passed Resolve |
| | 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 First Regular Session (unless otherwise specified in a particular law) is *June 29, 2005*; and for non-emergency legislation enacted in the First Special Session is *September 17, 2005*.

Joint Standing Committee on Utilities and Energy

LD 26 An Act To Authorize a General Fund Bond Issue for Stranded ONTP Costs of Transmission and Distribution Utilities

| Sponsor(s) | Committee Report | Amendments Adopted |
|------------|------------------|--------------------|
| FISCHER | ONTP | |

LD 26 proposed a bond issue in the amount of \$1,088,750,000 to be used to pay transmission and distribution utility stranded costs. Stranded costs are the costs of investor-owned utilities that were made unrecoverable as a result of the restructuring of the electric industry. The costs include, among other things, long-term energy contracts, the prices of which exceed market prices. Currently, investor-owned transmission and distribution utilities are provided a reasonable opportunity over time to recover these costs through rates.

LD 46 An Act To Require Permission of Customers before a Phone ONTP Company Can Bill Retroactively

| Sponsor(s) | Committee Report | Amendments Adopted |
|------------|------------------|--------------------|
| TRAHAN | ONTP | _ |

LD 46 proposed to prohibit a telephone utility from retroactively billing a customer without the customer's permission.

LD 94An Act To Allow Administrative Penalties Imposed by the PublicPUBLIC 432Utilities Commission To Be Applied To Benefit Customers

| Sponsor(s) | Committee Report | Amendments Adopted |
|------------|------------------|--------------------|
| BARTLETT | OTP-AM | S-18 |
| BLISS | | |

LD 94 proposed to permit the Public Utilities Commission to use administrative penalties collected by the commission in excess of \$100,000, net of the commission's expenses, to credit the bills of customers affected by the violation. Currently, all administrative penalties imposed and collected by the Public Utilities Commission are deposited in the Public Utilities Commission Reimbursement Fund and used to defray unbudgeted and incidental commission expenses. Any excess is forwarded to the General Fund.

Committee Amendment "A" (S-18) proposed to replace the bill. The amendment proposed to authorize the Public Utilities Commission to apply administrative penalties imposed by the commission in a manner that benefits those customers affected or potentially affected by the violations. If the commission determined this application of the amount to be impractical or unreasonable, commission would be authorized to apply the amount in a manner that would benefit the class or group of customers affected or potentially affected by the violation. The commission would be authorized to apply the amounts in the form of a direct payment or credit to the customers or group or class of customers affected or potentially affected by the violation. The commission would also be authorized to apply the penalties to supplement programs or funds that the commission determines would benefit customers affected or potentially affected by the violation. The amendment proposed to require that any

Joint Standing Committee on Utilities and Energy

amounts applied to supplement an existing program or fund not result in a reduction in other funding provided for the program or fund unless the reduction were outside the commission's control, the commission found application of the penalty to the fund or program was the most appropriate use of the penalty, and the net effect would be an increase in total funding available to the program or fund.

Enacted law summary

Public Law 2005, chapter 432 authorizes the Public Utilities Commission to apply administrative penalties it collects in a manner that benefits those customers affected or potentially affected by the violations. If the commission determines this application of the amount to be impractical or unreasonable, it may apply the amount in a manner that benefits the class or group of customers affected or potentially affected by the violation. The commission may apply the amounts in the form of a direct payment or credit to the customers or group or class of customers affected or potentially affected by the violation. Any amounts applied to supplement an existing program or fund may not result in a reduction in other funding provided for the program or fund unless the reduction is outside the commission's control, the commission finds that application of the penalty amount to the fund or program or fund.

LD 125 An Act To Allow Timothy Gousse To Purchase Water from the ONTP Gardiner Water District

| Sponsor(s) | Committee Report | Amendments Adopted |
|------------|------------------|--------------------|
| MILLER | ONTP | |
| COWGER | | |

LD 125 proposed to authorize Timothy Gousse of the Town of Chelsea to petition for and receive water service from the Gardiner Water District.

LD 205 An Act Providing for Regulation of the Cable Television Industry CARRIED OVER by the Public Utilities Commission

| Sponsor(s) | Committee Report | Amendments Adopted |
|------------|------------------|--------------------|
| GERZOFSKY | | |
| EDMONDS | | |

LD 205 proposed to subject basic tier service rates and services of cable systems to regulation by the Public Utilities Commission. The bill also proposed to establish hearing and complaint procedures for rate increases or product or service changes by a cable system operator and to direct the Public Utilities Commission, on petition of 25 or more customers, to petition the Federal Communications Commission to address any rate increases or changes the Public Utilities Commission found to be unreasonable.

This bill was carried over by H.P. 1203 to the next special or regular session of the 122nd Legislature.