

MAINE STATE LEGISLATURE

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STATE OF MAINE
123RD LEGISLATURE
FIRST REGULAR SESSION



Summaries of bills and adopted amendments and laws enacted or finally passed during the First Regular Session of the 123rd Maine Legislature coming from the

**JOINT STANDING COMMITTEE ON UTILITIES AND
ENERGY**

July 2007

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STATE OF MAINE

123RD LEGISLATURE

FIRST REGULAR SESSION

LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS



This *Legislative Digest of Bill Summaries and Enacted Laws* summarizes all bills and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 123rd Maine Legislature, which was in session from December 6, 2006 to June 21, 2007.

The *Digest* is arranged alphabetically by committee, and within each committee by LD number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are summarized and listed by paper number. A subject index is included with each committee. The appendices include a summary of relevant session statistics, an index of all bills by LD number and an index of enacted laws by law type and chapter number.

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 (or Accepted ONTP report).....	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 non-emergency legislation enacted in the First Regular Session is **September 20, 2007**. The effective date for legislation enacted as an emergency measure is specified in the enacted law summary for those bills.

Joint Standing Committee on Utilities and Energy

This bill eliminates the fixed annual cap of \$5,505,000 for the Public Utilities Commission's assessment on the gross intrastate operating revenues of utilities that provides funding for the commission and replaces it with language that allows the commission set the assessment annually to provide sufficient revenue for the level of expenditures allocated by the Legislature for operating the commission.

Committee Amendment "A" (H-11)

This amendment clarifies the role of the joint standing committee of the Legislature having jurisdiction over public utilities matters with respect to review and oversight of the Public Utilities Commission's budget and the commission's Regulatory Fund in particular. It amends the provision of law governing the legislative approval of the commission's budget to specify that the commission shall present its budget to the joint standing committee and that the committee shall make recommendations on the entire budget, including the Regulatory Fund. The amendment also clarifies the language in the bill regarding the maximum total assessment to specify that legislative allocations for the Regulatory Fund govern the total assessment amount. Finally, it also clarifies that the Legislature may allocate, not only appropriate, additional funds for the commission.

Enacted Law Summary

Public Law 2007, chapter 16 eliminates the fixed annual cap of \$5,505,000 for the Public Utilities Commission's assessment on the gross intrastate operating revenues of utilities that provides funding for the commission and replaces it with language that allows the commission set the assessment annually to provide sufficient revenue for the level of expenditures allocated by the Legislature for operating the commission. This law also clarifies the role of the joint standing committee of the Legislature having jurisdiction over public utilities matters with respect to review and oversight of the Public Utilities Commission's budget and the commission's Regulatory Fund in particular. It amends the provision of law governing the legislative approval of the commission's budget to specify that the commission shall present its budget to the joint standing committee and that the committee shall make recommendations on the entire budget, including the Regulatory Fund.

Public Law 2007, chapter 16 was enacted as an emergency measure effective March 23, 2007.

LD 268

An Act Regarding the Long-term Contracting Authority of the Public Utilities Commission

PUBLIC 293

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BLISS BARTLETT	OTP-AM MAJ ONTP MIN	H-220

This bill makes several changes to the laws governing capacity resources for electricity generation and the Public Utilities Commission's authority to direct transmission and distribution utilities to enter into long-term contracts for capacity resources. The bill includes the following provisions.

1. It amends the definition of "interruptible, demand response or energy efficiency capacity resource" to shift responsibility for recognizing these resources from the commission to New England independent system operator.
2. It amends the definition of "renewable capacity resource," to clarify the definition with respect to the application of fish passage requirements for hydroelectric generators.
3. It amends the laws governing long-term contracts for capacity resources to allow contracted energy to be sold into the wholesale market in conjunction with standard offer solicitations.
4. It adds language to provide the commission with authority to direct transmission and distribution utilities to enter long-term contracts for ancillary services and renewable energy credits associated with capacity

Joint Standing Committee on Utilities and Energy

resources.

5. It eliminates the language in current law that limits the commission to directing transmission and distribution utilities to enter contracts only as agents for their customers and instead allows the commission to direct transmission and distribution utilities to enter contracts on a wholesale basis.
6. It eliminates the requirement that the commission consider the cost of capacity and cost of related energy in the selection of capacity resources and the requirement that the commission's rules provide a methodology for calculating and considering the cost of related energy for capacity-only offers.

Committee Amendment "A" (H-220)

This amendment is the majority report of the committee. The amendment eliminates the provisions in the bill that would authorize the Public Utilities Commission to direct large investor-owned transmission and distribution utilities to enter into long-term contracts for ancillary services and renewable energy credits associated with capacity resources and to enter into long-term contracts on a wholesale basis. The amendment also adds language to revise the definition of "renewable capacity resource" to eliminate the 100 megawatt capacity limit in current law and removes language in the bill in order to preserve the definition of "interruptible, demand response or energy efficiency capacity resource" as it exists in current law. The amendment also removes the emergency preamble and emergency clause from the bill.

Enacted Law Summary

Public Law 2007, chapter 293 makes the following changes to the laws governing capacity resources for electricity generation and the Public Utilities Commission's authority to direct transmission and distribution utilities to enter into long-term contracts for capacity resources.

1. It amends the definition of "renewable capacity resource" to eliminate the 100 megawatt capacity limit in current law to clarify the definition with respect to the application of fish passage requirements;
2. It amends the laws governing long-term contracts for capacity resources to allow contracted energy to be sold into the wholesale market in conjunction with standard offer solicitations; and
3. It eliminates the requirement that the commission consider the cost of capacity and cost of related energy in the selection of capacity resources and the requirement that the commission's rules provide a methodology for calculating and considering the cost of related energy for capacity-only offers.

LD 290 An Act To Encourage the Use of Solar Energy

ONTP

Sponsor(s)

CEBRA

Committee Report

ONTP

Amendments Adopted

This bill amends the law governing the solar energy rebate program. It changes the allocation of program funds to increase the amount for solar photovoltaic system rebates from 25% to 75% and to decrease the amount for solar thermal systems from 75% to 25%. The bill also extends the solar energy rebate program until December 31, 2012 and makes ongoing General Fund appropriations of \$1,500,000 in fiscal years 2007-08 and 2008-09 for solar photovoltaic system rebates.