

MAINE STATE LEGISLATURE

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STATE OF MAINE
123RD LEGISLATURE
SECOND REGULAR AND FIRST SPECIAL SESSIONS



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

**JOINT STANDING COMMITTEE ON UTILITIES AND
ENERGY**

May 2008

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STATE OF MAINE
123RD LEGISLATURE
SECOND REGULAR & FIRST SPECIAL SESSIONS



**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 Second Regular or First Special Sessions of the 123rd Maine Legislature.

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:

<i>CON RES XXX</i>	<i>Chapter # of Constitutional Resolution passed by both Houses</i>
<i>CONF CMTE UNABLE TO AGREE</i>	<i>Committee of Conference unable to agree; bill died</i>
<i>DIED BETWEEN BODIES</i>	<i>House & Senate disagree; bill died</i>
<i>DIED IN CONCURRENCE</i>	<i>One body accepts ONTP report; the other indefinitely postpones the bill</i>
<i>DIED ON ADJOURNMENT</i>	<i>Action incomplete when session ended; bill died</i>
<i>EMERGENCY</i>	<i>Enacted law takes effect sooner than 90 days</i>
<i>FAILED EMERGENCY ENACTMENT/FINAL PASSAGE</i>	<i>Emergency bill failed to get 2/3 vote</i>
<i>FAILED ENACTMENT/FINAL PASSAGE</i>	<i>Bill failed to get majority vote</i>
<i>FAILED MANDATE ENACTMENT</i>	<i>Bill imposing local mandate failed to get 2/3 vote</i>
<i>NOT PROPERLY BEFORE THE BODY</i>	<i>Ruled out of order by the presiding officers; bill died</i>
<i>INDEF PP</i>	<i>Bill Indefinitely Postponed; bill died</i>
<i>ONTP (or Accepted ONTP report)</i>	<i>Ought Not To Pass report accepted; bill died</i>
<i>P&S XXX</i>	<i>Chapter # of enacted Private & Special Law</i>
<i>PUBLIC XXX</i>	<i>Chapter # of enacted Public Law</i>
<i>RESOLVE XXX</i>	<i>Chapter # of finally passed Resolve</i>
<i>UNSIGNED</i>	<i>Bill held by Governor</i>
<i>VETO SUSTAINED</i>	<i>Legislature failed to override Governor's Veto</i>

The effective date for non-emergency legislation enacted in the Second Regular Session (R2) is June 30, 2008. The effective date for non-emergency legislation enacted in the First Special Session (S1) is July 18, 2008.¹ The effective date for legislation enacted as an emergency measure is specified in the enacted law summary for those bills. Any bill summarized in this document having an LD number less than 1932 was a bill carried over from the First Regular Session of the 123rd Legislature.

¹ The session in which each law was enacted or finally passed (R2 or S1) is included in Appendix C.

Joint Standing Committee on Utilities and Energy

This bill does the following to encourage wind energy development:

1. It allows the Finance Authority of Maine and the Public Utilities Commission to establish a program to increase the financial capacity of the Finance Authority of Maine programs to assist in financing wind energy development and allows the use of funds from the conservation program fund;
2. It allows the State to provide the benefits of Pine Tree Development Zone eligibility to wind energy projects;
3. It declares that enhancement of electricity transmission from northern and eastern to southern areas of the State is essential to wind energy development;
4. It makes permanent the community wind power generator tax credit by removing the scheduled repeal under current law of that tax credit on December 31, 2007; and
5. It provides for the Department of Environmental Protection, Board of Environmental Protection to adopt major substantive rules for streamlined permitting of wind energy projects and the designation by the State of preferred areas for viable wind energy project development.

Committee Amendment "A" (S-313)

This amendment replaces the bill. The amendment makes one change to current law related to wind energy. Specifically, the amendment extends the community wind power generator tax credit in current law by changing the repeal date for this tax credit from December 31, 2007 to December 31, 2009.

In the First Regular Session, this bill, as amended by Committee Amendment "A" (S-313), was placed on the Special Appropriations Table pending enactment. The bill was subsequently taken from the table, committed to the Joint Standing Committee on Utilities and Energy and carried over by H.P. 1369 from the First Regular Session to any special or regular session of the 123rd Legislature.

**LD 1216 Resolve, To Establish a Study Commission To Stimulate
Telecommunications Investment, Economic Development and Job Creation**

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
EDMONDS	ONTP	

This resolve is a concept draft pursuant to Joint Rule 208. The resolve proposes to establish a study commission to study the current regulations in the telecommunications industry and develop recommendations to promote investment, economic development and job creation.

LD 1221 An Act To Amend the Charter of the Kennebunk Light and Power District

P & S 35

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SULLIVAN	OTP-AM MAJ ONTP MIN	H-713 FLETCHER H-714 PERRY A S-412

This bill amends the Kennebunk Light and Power District charter to allow Kennebunk Light and Power District to provide retail electric service throughout the entire Town of Kennebunk subject to referendum but without the need

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to obtain prior approval of the Public Utilities Commission. The bill also authorizes Kennebunk Light and Power District to acquire by purchase the properties and rights of any public utility currently serving in those areas where the charter amendment would allow Kennebunk Light and Power District to extend its services. The bill also authorizes the Public Utilities Commission to resolve disputes or disagreements between Kennebunk Light and Power District and any public utility as to the valuation of facilities to be purchased by Kennebec Light and Power District and as to the severance and realignment of facilities rated 50 kilovolts or below as a result of the purchase.

Committee Amendment "A" (S-412)

This amendment is the majority report of the committee. The amendment makes the following changes to the bill:

1. It clarifies that extension of service by Kennebunk Light and Power District (KLPD) within the Town of Kennebunk but beyond its current service territory may not occur unless the district has acquired by purchase the facilities of the public utility now furnishing electricity service to that area of Kennebunk outside the district's current service territory.
2. It amends the bill to restore the language in the KLPD charter regarding the district's authority to convey its property to another public utility now furnishing service within the Town of Kennebunk.
3. It adds a provision to the bill to require KLPD, in the event of a purchase of another public utility's facilities, to pay the utility for stranded costs and require the Public Utilities Commission to calculate the value of stranded costs and allocate the appropriate costs to the district.
4. It adds a provision to the bill to authorize the Public Utilities Commission to resolve any disputes regarding payment to compensate the public utility's remaining customers for costs incurred as a result of the migration of customers to KLPD, in the event that a sale occurs, as well as any disputes regarding the use of poles and related issues during the transfer of property.
5. It adds a provision to require, in the event of a dispute or disagreement over the value of the public utility facilities that KLPD seeks to purchase, that the Public Utilities Commission obtain an independent appraisal of the value of the utility facilities.

House Amendment "A" (H-713)

This amendment requires that in the event of a disagreement between the Kennebunk Light and Power District and a public utility as to the valuation of facilities that the district seeks to acquire, the party seeking to purchase the facilities of the other party pay the cost of the required independent appraisal of those facilities.

House Amendment "B" (H-714)

This amendment adds a provision to clarify that, due to the unique circumstances of a geographic line drawn by the Legislature in 1903 for purposes of electricity transmission and distribution for the Town of Kennebunk, the Legislature intends that this legislation not be cited as precedent in legislation affecting the service areas of other public utilities.

Enacted Law Summary

Private and Special Law 2007, chapter 35 amends the Kennebunk Light and Power District (KLPD) charter to allow KLPD to provide retail electric service throughout the entire Town of Kennebunk subject to approval by the legal voters of the Town of Kennebunk in a referendum. The extension of service by KLPD within the Town of Kennebunk but beyond its current service territory may not occur unless the district has acquired by purchase the facilities of the public utility now furnishing electricity service to that area of Kennebunk outside the district's current service territory. The extension of service does not require prior approval of the Public Utilities Commission under the Maine Revised Statutes, Title 35-A, sections 2102, 2105 and 2110.

This law authorizes KLPD to purchase the properties and rights of any public utility currently serving in those areas

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where the charter amendment would allow KLPD to extend its services and requires, in the event of a purchase, the district to pay the utility for stranded costs as calculated by the Public Utilities Commission.

The law authorizes the Public Utilities Commission to resolve disputes or disagreements between KLPD and a public utility regarding the valuation of facilities to be purchased by KLPD, payment to compensate the public utility's remaining customers for costs incurred as a result of the migration of customers to the district, the severance and realignment of facilities and the use of poles and related issues during the transfer of property. In the event of a dispute or disagreement over the value of the facilities the district seeks to purchase, the law requires the Public Utilities Commission to obtain an independent appraisal of the value of the facilities to be paid for by the district.

The law includes a provision to clarify that, due to the unique circumstances of a geographic line drawn by the Legislature in 1903 for purposes of electricity transmission and distribution for the Town of Kennebunk, the Legislature intends that this legislation not be cited as precedent in legislation affecting the service areas of other public utilities.

LD 1248 An Act To Authorize Load Aggregation for Consumer-owned Electric Utilities

PUBLIC 481

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SHERMAN	OTP-AM	S-405

This bill establishes the Northern Maine Power Agency in order to obtain electricity supply for standard offer service to construct or lease and operate transmission facilities to the 4 utilities participating in the northern Maine independent system administrator. The bill provides an exception to the right to purchase generation from competitive electricity providers for electricity consumers in northern Maine.

Committee Amendment "A" (S-405)

This amendment replaces the bill. The amendment establishes an exception to the right to purchase generation from competitive electricity providers for electricity customers in northern Maine, as was established in the bill, while also extending the provision to cover customers of consumer-owned transmission and distribution utilities statewide. Under the amendment, the exception is subject to approval from the Public Utilities Commission for the consumer-owned transmission and distribution utility to aggregate its load for the purpose of purchasing generation services on behalf of its customers.

Enacted Law Summary

Public Law 2007, chapter 481 establishes an exception to the right to purchase generation from competitive electricity providers for electricity customers of consumer-owned transmission and distribution utilities. This exception is subject to approval from the Public Utilities Commission for the consumer-owned transmission and distribution utility to aggregate its load for the purpose of purchasing generation services on behalf of its customers.

LD 1918 An Act To Ensure Adequate Funding for the Oversight of Spent Nuclear Fuel Storage in Maine

DIED BETWEEN HOUSES

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BERRY	OTP-AM	H-671

Current law establishes an assessment on a licensee operating an interim spent nuclear fuel storage facility in this State. This assessment is scheduled to decrease from \$360,000 per year in calendar year 2007 to \$296,667 in calendar year 2008 and to \$170,000 beginning in 2009 and continuing at that amount until all spent nuclear