

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

apportionment of funds collected for conservation programs among groups of customers.

The bill also amends the laws governing rate-adjustment mechanisms for transmission and distribution utilities as they relate to utility sales and earnings. It specifically directs the Public Utilities Commission to adopt provisions to sever the link between sales and earnings, often referred to as "decoupling."

The Joint Standing Committee on Utilities and Energy, by letter dated 6/14/07, requested that the Public Utilities Commission, the Office of the Public Advocate and the Governor's Office of Energy Independence and Security convene a stakeholder group to discuss decoupling and rate design options to reduce incentives for utilities to encourage increased electricity consumption and report back to the committee by January 15, 2008.

LD 1837 An Act To Harmonize State and Federal Laws on Do-not-call Lists

PUBLIC 227

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BARTLETT	OTP	

This bill makes changes to bring state law into conformance with federal laws regarding the establishment and enforcement of a do-not-call list that allows resident consumers to opt out of being solicited by telephone.

Enacted Law Summary

Public Law 2007, chapter 227 makes changes to bring state law into conformance with federal laws regarding the establishment and enforcement of a do-not-call list that allows resident consumers to opt out of being solicited by telephone.

LD 1866 An Act To Revise Maine's Utility Reorganization Laws

DIED BETWEEN
HOUSES

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SULLIVAN	OTP-AM MAJ ONTP MIN	

This bill adds several new criteria for approval by the Public Utilities Commission of the reorganization, merger, consolidation, sale or other transfer of property involving a Maine public utility with annual revenues greater than \$50 million. Specifically, the bill states that commission may only approve a reorganization, merger, consolidation, sale or other transfer of property involving such a utility if the commission finds that the proposal will: (a) advance the economic development and information access goals of the State's telecommunications policy to the extent applicable to the type of utility involved, (b) result in short-term and long-term economic benefits to ratepayers, and (c) be consistent with the interests of the utility's investors.

The bill also increases the filing fee for a reorganization involving a utility with revenues greater than \$50 million from \$50,000 to \$100,000.

Finally, the bill specifies that the provisions in the bill apply to any decision of the Public Utilities Commission after the effective date of this Act, including decisions made involving proceedings that are pending before the commission prior to the effective date.

Committee Amendment "A" (S-191)

This amendment (not adopted) changes several provisions of the bill relating to the additional criteria for approval required for a merger, consolidation, reorganization or sale involving a Maine public utility with

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annual revenues greater than \$50,000,000. Specifically, the amendment:

1. Limits the application of these additional criteria for approval to transactions that would result in a change of ownership and control of the public utility;
2. Changes the criteria for approval relating to benefits to ratepayers from a standard of "short-term and long-term economic benefits" to a standard of "net benefits"; and
3. Adds a provision authorizing the Public Utilities Commission to impose conditions on a reorganization that is subject to the additional standards to ensure that the transaction will satisfy those standards.

The Joint Standing Committee on Utilities and Energy, by letter dated 6/14/07, requested that the Public Utilities Commission, in its review of the proposed merger and reorganization of Verizon and FairPoint Communications, give due consideration to several specific issues relating to the stated benefits of the merger and economic development issues for the State.

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

CARRIED OVER

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

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 continuing at that amount until all spent nuclear fuel is removed from the State. This bill eliminates the reductions in the assessment that exist in current law and establishes the assessment amount in years 2008 and beyond at a level of \$360,000 indexed to the rate of inflation using the Consumer Price Index. This bill also imposes an additional assessment of \$500,000 beginning in August 15, 2007 and every 5 years thereafter, also indexed to the rate of inflation, to pay for costs associated with the replacement of depreciated or obsolete capital equipment. Once the spent nuclear fuel is removed from the facility, these additional payments are no longer required.

This bill was carried over by H.P. 1369 to any special or regular session of the 123rd Legislature.

LD 1920 An Act To Stimulate Demand for Renewable Energy

PUBLIC 403

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
	OTP MAJ ONTP MIN	H-516 PIEH

Current law establishes as a policy of the State the goal of increasing the share of new renewable capacity resources as a percentage of the total capacity resources in this State by 10% by 2017. This bill implements that policy goal by establishing portfolio requirements for new renewable capacity resources, beginning at 1% for calendar year 2008 and increasing by one percentage point per year, ending at 10% in 2017.

The bill allows competitive electricity providers to meet the portfolio requirements for new renewable capacity resources through the use of renewable energy credits or an alternative compliance payment to be set by the Public Utilities Commission. The bill allows the commission to suspend increases in the portfolio requirements for new renewable capacity resources if it finds that investment in new renewable capacity resources is insufficient and the