

MAINE STATE LEGISLATURE

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STATE OF MAINE
124TH LEGISLATURE
SECOND REGULAR SESSION



Summaries of bills, adopted amendments and laws enacted or finally passed during the Second Regular Session of the 124th Maine Legislature coming from the

**JOINT STANDING COMMITTEE ON UTILITIES AND
ENERGY**

April 2010

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STATE OF MAINE

124TH LEGISLATURE
SECOND 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 Second Regular Session of the 124th 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>CARRIED OVER</i>	<i>Carried over to a subsequent session of the Legislature</i>
<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 HOUSES</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 of the 124th Legislature is Monday, July 12, 2010. 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

approval. It also requires the Buckfield Village Corporation to transfer all of its assets and liabilities to the district, if the corporation and the district are able to arrange for the existing debt of the corporation to be assumed by the district.

Enacted Law Summary

Private and Special Law 2009, chapter 36 creates the Buckfield Water District, subject to local referendum approval. It also requires the Buckfield Village Corporation to transfer all of its assets and liabilities to the district, if the corporation and the district are able to arrange for the existing debt of the corporation to be assumed by the district.

LD 1535 An Act To Create a Smart Grid Policy in the State

**PUBLIC 539
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
HINCK	OTP-AM	H-695

This bill establishes a state policy on smart grid infrastructure including employment of a smart grid to improve power reliability as well as the overall efficiency of the power resource and delivery system while reducing energy consumption, greenhouse gas emissions and costs to consumers, in part by offering consumers greater choice and information about their electricity consumption. The state policy ensures that deployment of a smart grid is done in a manner that is consistent with applicable safety, security and reliability standards.

The bill specifies a hierarchy of energy resources to be assessed in the implementation of smart grid policy in the State and it requires the Public Utilities Commission, in proceedings involving the review of a transmission and distribution utility's system investments or upgrades, to ensure that the utility has considered the deployment of technologies that support smart grid functions in accordance with this hierarchy of energy resources. The bill allows transmission and distribution utilities to recover reasonable costs associated with creating a smart grid.

The bill directs the Public Utilities Commission to examine the need for and feasibility of creating or designating a special entity in each transmission and distribution utility service territory to facilitate a rapid increase in the availability and use of smart grid functions.

Committee Amendment "A" (H-695)

This amendment makes the following changes to the bill.

1. It clarifies the definition of "smart grid," adds a definition of "smart grid coordinator" and amends the definition of "public utility" to include a smart grid coordinator.
2. It amends the bill regarding the State's smart grid policy to focus on the smart grid as a means of improving reliability and efficiency and reducing ratepayer costs.
3. It authorizes the Public Utilities Commission to adopt rules regarding the implementation of smart grid functions in the State and specifies those rules as routine technical rules.
4. It removes the provision of the bill that specifies a hierarchy of energy resources to be assessed in the implementation of smart grid policy in the State. It also removes the provision in the bill that requires the commission, in proceedings involving the review of a transmission and distribution utility's system investments or upgrades, to ensure that the utility has considered the deployment of technologies that support smart grid functions in accordance with the above-mentioned hierarchy of energy resources.

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5. It removes the provision of the bill that requires the commission to examine the need for and feasibility of creating or designating a smart grid company in each transmission and distribution utility service territory. Instead, the amendment includes a provision that requires the commission, upon petition, to open an adjudicatory proceeding to determine whether it is in the public interest of the State to authorize a smart grid coordinator to manage access to smart grid functions and associated infrastructure, technology and applications within a service territory of a utility. Upon a finding that it is in the public interest, the amendment authorizes the commission to adopt, by rule or as part of the adjudicatory proceeding, standards regarding smart grid coordinators. Pursuant to such standards, the commission is permitted to authorize no more than one smart grid coordinator within each transmission and distribution utility service territory.
6. It adds a provision to require a transmission and distribution utility to file and have approved by the commission a transition plan for displaced employees when an investment in smart grid infrastructure by a transmission and distribution utility will lead to the displacement of 20 or more employees within a 3-year period.
7. It adds a provision requiring transmission and distribution utilities to provide customer education regarding smart grid functions and how they can benefit customers.
8. It adds a provision to clarify that this law does not limit any other authority of the commission with respect to smart grid implementation.

Enacted Law Summary

Public Law 2009, chapter 539 establishes a state policy on smart grid infrastructure including the promotion of development, implementation, availability and use of smart grid functions to improve the overall reliability and efficiency of the electric system, reduce ratepayers' costs, reduce and better manage energy consumption and reduce greenhouse gas emissions. The state policy ensures that deployment of a smart grid functions is done in a manner that is consistent with applicable reliability, safety, security and privacy standards.

This law also does the following:

1. It authorizes the Public Utilities Commission to adopt rules regarding the implementation of smart grid functions in the State and specifies those rules as routine technical rules.
2. It requires the Public Utilities Commission, upon petition, to open an adjudicatory proceeding to determine whether it is in the public interest of the State to authorize a smart grid coordinator to manage access to smart grid functions and associated infrastructure, technology and applications within a service territory of a utility. Upon a finding that it is in the public interest, the commission is authorized to adopt, by rule or as part of the adjudicatory proceeding, standards regarding smart grid coordinators. Pursuant to such standards, the commission is permitted to authorize no more than one smart grid coordinator within each transmission and distribution utility service territory.
3. It requires a transmission and distribution utility to file and have approved by the commission a transition plan for displaced employees when an investment in smart grid infrastructure by a transmission and distribution utility will lead to the displacement of 20 or more employees within a 3-year period.
4. It permits transmission and distribution utilities to recover prudently incurred incremental costs associated with implementing smart grid functions and associated infrastructure, technology or applications.
5. It requires transmission and distribution utilities to provide customer education regarding smart grid functions and how they can benefit customers.

Public Law 2009, chapter 539 was enacted as an emergency measure effective March 23, 2010.