

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**

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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.

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1. It removes the language indicating that the records of the water district are public and that the meetings are open but clarifies that the district's business must be conducted in accordance with the freedom of access laws.
2. It incorporates into the charter language enacted in Private and Special Law 1905, chapter 152 regarding the authority of the district to refund its indebtedness, exercise the right of eminent domain, mark boundaries and commence proceedings for condemnation.
3. It provides that an appeal from a decision of the district regarding a determination of damages for a taking of land must be made within 30 days of notice of the decision.
4. It removes certain archaic and obsolete language from the charter.

LD 1786 An Act Regarding Energy Infrastructure Development

PUBLIC 655

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
	OTP-AM	H-809

PART A

This bill amends the laws governing energy infrastructure corridors to designate the Interstate 95 corridor, the Interstate 295 corridor and the Searsport-Loring Corridor as "statutory corridors" and to continue a process for the designation of "petitioned corridors" by petition to the Public Utilities Commission. It establishes an interagency review panel to oversee the use of the statutory corridors including soliciting, accepting and evaluating proposals for the use of the corridors and it establishes standards for approval of proposals to ensure that they are in the long-term best interests of the State. For energy infrastructure projects within a statutory corridor, the bill requires projects to obtain a long-term occupancy agreement with the Interagency Review Panel, a consolidated environmental permit from the Department of Environmental Protection and, if the project is a transmission line, a certificate of public convenience and necessity from the Public Utilities Commission. For energy infrastructure projects within a petitioned corridor, the bill requires projects to obtain a corridor use certificate from the Public Utilities Commission, a consolidated environmental permit from the Department of Environmental Protection and, if the project is a transmission line, a certificate of public convenience and necessity from the commission. The bill requires the Interagency Review Panel to deny approval of and the Public Utilities Commission to deny a corridor use certificate for any energy infrastructure project that does not enhance opportunities for energy generation in the State and significantly and measurably reduce electric rates or other relevant energy costs for residents and businesses within the State. The bill also moves the repeal date for the energy infrastructure corridor laws from July 30, 2011 to July 30, 2015.

The bill requires that, except when prohibited by law, all revenues generated from the use of state-owned land and assets within energy infrastructure corridors be deposited in an energy infrastructure benefits fund. The bill requires the Maine Turnpike Authority to grant an easement to the Department of Transportation along the portion of Interstate 95 designated as the Maine Turnpike to allow its use as part of the Interstate 95 statutory corridor and requires revenues generated from the use of the easement as part of the Interstate 95 statutory corridor be deposited in the energy infrastructure benefits fund.

PART B

The bill requires all revenues collected in the energy infrastructure benefits fund be transferred to the Efficiency Maine Trust and used on a competitive basis to ensure a steady transition to energy independence and security for

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the State. It requires the Efficiency Maine Trust, in the expenditure of these funds, to give preference to proposals in three specific categories related to energy efficiency for manufacturing entities; efficiency in heating and transportation; and the development of renewable resources. The director of the Trust is required to report annually on the use of the revenues from the fund.

PART C

The bill requires the director of the Governor's Office of Energy Independence and Security, within the comprehensive state energy plan, to identify transmission capacity and infrastructure needs and recommend actions to support the new renewable energy generation. It also requires the director to advise state agencies regarding energy-related principles to be considered in conjunction with the sale, lease or allowance of use of state-owned land or assets for energy infrastructure development.

The bill requires the joint standing committee of the Legislature having jurisdiction over utilities and energy matters to review the implementation of the provisions of this bill during the First Regular Session of the 125th Legislature. In addition, it requires the Department of Transportation to report to the committee by January 15, 2011 regarding current and potential uses of abandoned railroad corridors for energy infrastructure development.

Committee Amendment "A" (H-809)

This amendment makes the following changes to Part A of the bill.

1. It clarifies the definition of "energy infrastructure." It preserves the exclusion of generation interconnection transmission facilities and energy generation facilities from the definition, as in current law, and adds an exclusion for electric transmission and distribution facilities and energy transport pipelines that cross an energy infrastructure corridor or are within a corridor for less than five miles.
2. It modifies the composition of the Interagency Review Panel to incorporate four members of the public: one with expertise in energy and utilities, one with expertise in real estate or finance, one representing industrial or commercial energy consumers and one representing residential energy consumers.
3. It modifies the provision in the bill regarding the participation of the Maine Turnpike Authority in the Interstate 95 statutory corridor. The amendment requires the Maine Turnpike Authority to negotiate and enter into a memorandum of agreement with the Department of Transportation to govern the conditions under which the authority will grant an occupancy agreement for use of the authority's property as part of the corridor and it specifies requirements regarding the terms of that memorandum of agreement.
4. It clarifies and consolidates in one section of law the decision criteria to be used by the Interagency Review Panel and the Public Utilities Commission in evaluating and making decisions on energy infrastructure proposals.
5. It adds language to prohibit the commission from designating a petitioned corridor in the Maine Turnpike.
6. It clarifies the provisions governing the consolidated environmental permit issued by the Department of Environmental Protection for development within an energy infrastructure corridor.
7. It adds language in the eminent domain provisions to treat energy transport pipelines consistently with transmission and distribution utilities.
8. It adds a provision to designate certain transmission lines as "high-impact electric transmission lines" and to require the Public Utilities Commission to review petitions for those lines using the same decision criteria that govern approval of energy infrastructure proposals in statutory corridors and petitioned corridors.
9. It adds a provision to explicitly repeal the provisions regarding legislative review of corridor plans under Public

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Law 2009, chapter 372, Part F, section 5.

It makes the following changes to Part B of the bill.

1. It amends the provisions regarding the disposition of revenues in the energy infrastructure benefits fund. In the bill, all such revenues are directed to the Efficiency Maine Trust. Under the amendment, 20% of the revenues are directed to a new Transportation Efficiency Fund to be administered by the Department of Transportation and used by the department to increase the energy efficiency of or reduce reliance on fossil fuels within the transportation system. The other 80% of the revenues is directed to the Efficiency Maine Trust for expenditure on energy efficiency initiatives and alternative energy resources initiatives.
2. It adds a new provision that directs the Executive Department, Governor's Office of Energy Independence and Security to convene two working groups to examine and make recommendations regarding the use of revenues generated by energy infrastructure development in energy infrastructure corridors. One working group is designed to focus on the use of these funds for transportation efficiency initiatives and the other is designed to focus on the use of these funds for alternative energy resources initiatives. Each group is required to submit a report by March 1, 2011.
3. It adds an appropriations and allocations section.

It makes the following changes to Part C of the bill.

1. It amends the provision regarding advice to be provided to state agencies by the Director of the Governor's Office of Energy Independence and Security to ensure consistency with the amendments to Part A of the bill regarding the decision criteria for energy infrastructure development and the Maine Turnpike Authority.
2. It clarifies that the required report from the Department of Transportation regarding current and potential uses of abandoned railroad corridors owned or controlled by the department for energy infrastructure development must be submitted to the joint standing committee of the Legislature having jurisdiction over transportation matters in addition to the joint standing committee of the Legislature having jurisdiction over utilities and energy matters.

Enacted Law Summary

Public Law 2009, chapter 655 addresses energy infrastructure development and the establishment of energy infrastructure corridors within the State.

PART A

Part A of the law designates the Interstate 95 corridor, the Interstate 295 corridor and the Searsport-Loring Corridor as "statutory corridors" and continues a process in current law for the designation of "petitioned corridors" by petition to the Public Utilities Commission. It establishes an interagency review panel to oversee the use of the statutory corridors including soliciting, accepting and evaluating proposals for the use of the corridors and it establishes standards for approval of proposals to ensure that they are in the long-term best interests of the State. For energy infrastructure projects within a statutory corridor, it requires projects to obtain a long-term occupancy agreement with the Interagency Review Panel, a consolidated environmental permit from the Department of Environmental Protection and, if the project is a transmission line, a certificate of public convenience and necessity from the Public Utilities Commission. For energy infrastructure projects within a petitioned corridor, it requires projects to obtain a corridor use certificate from the Public Utilities Commission, a consolidated environmental permit from the Department of Environmental Protection and, if the project is a transmission line, a certificate of public convenience and necessity from the commission. It specifies that an energy infrastructure proposal may be approved by the Interagency Review Panel or the Public Utilities Commission, as appropriate, only if the proposal meets certain criteria related to transmission opportunities for in-state energy generation, impacts on electric rates or other energy costs and the long-term public interest of the State. It also amends the laws governing the approval of

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electric transmission lines by the Public Utilities Commission to designate certain lines as "high-impact electric transmission lines" and to require the commission to review petitions for such lines using the same decision criteria that govern approval of proposals to development energy infrastructure within statutory corridors and petitioned corridors.

Part A of the law requires the Maine Turnpike Authority to negotiate and enter into a memorandum of agreement with the Department of Transportation to govern the conditions under which the authority will grant an occupancy agreement for use of the authority's property as part of the Interstate 95 corridor and it specifies requirements regarding the terms of that memorandum of agreement. It also prohibits the Public Utilities Commission from designating a petitioned corridor in the Maine Turnpike.

It also moves the repeal date for the energy infrastructure corridor laws forward from July 30, 2011 to July 30, 2015.

PART B

Part B of the law establishes an energy infrastructure benefits fund, which consists of any revenues derived from the use of state-owned land and assets for energy infrastructure development. It provides that each fiscal year, 20% of the revenues collected in the energy infrastructure benefits fund be transferred to the Transportation Efficiency Fund to be administered by the Department of Transportation and used by the department to increase the energy efficiency of or reduce reliance on fossil fuels within the transportation system. The other 80% of the revenues are transferred to the Efficiency Maine Trust for expenditure on energy efficiency initiatives and alternative energy resources initiatives. The director of the Trust is required to report annually on the use of the revenues from the fund as part of the annual report of the Trust.

Part B of the law also directs the Executive Department, Governor's Office of Energy Independence and Security to convene two working groups to examine and make recommendations regarding the use of revenues generated by energy infrastructure development in energy infrastructure corridors. One working group is designed to focus on the use of these funds for transportation efficiency initiatives and the other is designed to focus on the use of these funds for alternative energy resources initiatives. Each working group is required to submit a report by March 1, 2011.

PART C

Part C of the law requires the director of the Governor's Office of Energy Independence and Security as part of the comprehensive state energy plan to identify transmission capacity and infrastructure needs and recommend actions to support the new renewable energy generation. It also requires the director to advise state agencies regarding energy-related principles, consistent with the decision criteria for energy infrastructure development, to be considered in conjunction with the sale, lease or allowance of use of state-owned land or assets for energy infrastructure development.

It requires the joint standing committee of the Legislature having jurisdiction over utilities and energy matters to review the implementation of the provisions of this bill during the First Regular Session of the 125th Legislature. In addition, it requires the Department of Transportation to report to the joint standing committees having jurisdiction over transportation matters and over utilities and energy matters by January 15, 2011 regarding current and potential uses of abandoned railroad corridors for energy infrastructure development.