

# MAINE STATE LEGISLATURE

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**STATE OF MAINE**  
127<sup>TH</sup> LEGISLATURE  
SECOND REGULAR SESSION



Summaries of bills, adopted amendments and laws enacted or finally passed

**JOINT STANDING COMMITTEE ON ENERGY, UTILITIES  
AND TECHNOLOGY**

May 2016

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# STATE OF MAINE

127<sup>TH</sup> LEGISLATURE

SECOND REGULAR SESSION



## LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* contains summaries of all LDs and adopted amendments and all laws enacted or finally passed during the Second Regular Session of the 127<sup>th</sup> Maine Legislature.

The *Digest* is arranged alphabetically by committee and within each committee by Legislative Document (LD) number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each LD title. All adopted amendments are summarized and listed by paper number. A subject index is included with each committee. An appendix provides a summary of relevant session statistics.

Final action on each LD is noted to the right of the LD title. The following describes the various final actions.

*CARRIED OVER*..... carried over to a subsequent session of the Legislature  
*CON RES XXX*..... chapter # of constitutional resolution passed by both houses  
*CONF CMTE UNABLE TO AGREE*..... Committee of Conference unable to agree; legislation died  
*DIED BETWEEN HOUSES*..... House & Senate disagreed; legislation died  
*DIED IN CONCURRENCE*..... defeated in each house, but on different motions; legislation died  
*DIED ON ADJOURNMENT*..... action incomplete when session ended; legislation died  
*EMERGENCY*..... enacted law takes effect sooner than 90 days after session adjournment  
*FAILED, EMERGENCY ENACTMENT or PASSAGE*..... emergency failed to receive required 2/3 vote  
*FAILED, ENACTMENT or FINAL PASSAGE*..... failed to receive final majority vote  
*FAILED, MANDATE ENACTMENT*..... legislation proposing local mandate failed required 2/3 vote  
*HELD BY GOVERNOR*..... Governor has not signed; final disposition to be determined at subsequent session  
*LEAVE TO WITHDRAW*..... sponsor's request to withdraw legislation granted  
*NOT PROPERLY BEFORE THE BODY*..... ruled out of order by the presiding officer; legislation died  
*INDEF PP*..... indefinitely postponed; legislation died  
*ONTP, ACCEPTED, MAJORITY, MINORITY or REPORT X*... ought-not-to-pass report accepted; legislation died  
*P&S XXX*..... chapter # of enacted private & special law  
*PUBLIC XXX*..... chapter # of enacted public law  
*RESOLVE XXX*..... chapter # of finally passed resolve  
*VETO SUSTAINED*..... Legislature failed to override Governor's veto

The effective date for non-emergency legislation enacted in the First Regular Session of the 127<sup>th</sup> Legislature is July 29, 2016. The effective date for legislation enacted as an emergency measure may be found in the enacted law summary for that legislation.

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7. It sets the initial alternative compliance payment base rate at \$10 per megawatt-hour, to be adjusted for inflation on an annual basis and published annually by the Public Utilities Commission.

This amendment was not adopted.

**Senate Amendment "A" To Committee Amendment "A" (S-376)**

This amendment repeals on June 30, 2020 the changes to the law effectuated by Committee Amendment "A."

This amendment was not adopted.

**LD 466**

**An Act To Increase Competition and Ensure a Robust Information and Telecommunications Market**

**PUBLIC 462**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
DUNPHY L	OTP-AM	H-655
WHITTEMORE R	OTP-AM	

This bill was carried over from the First Regular Session of the 127th Legislature.

This bill is a concept draft pursuant to Joint Rule 208.

This bill proposes to determine public policy for provider of last resort telecommunications service in the State.

**Committee Amendment "A" (H-655)**

This amendment is the majority report of the committee. It replaces the bill, which is a concept draft.

The amendment does the following.

1. It defines the term "price cap incumbent local exchange carrier" or "price cap ILEC."
2. It provides that, 30 days after the applicable provision becomes effective, the price cap ILEC's provider of last resort service obligation will cease in Portland, Lewiston, Bangor, South Portland, Auburn, Biddeford and Sanford.
3. It provides that, every six months from the date the applicable provision becomes effective, the obligation of a price cap ILEC to provide provider of last resort service will be removed by issuance of a certificate by the Public Utilities Commission, in five of the additional 15 municipalities listed in the amendment, in order, as long as the price cap ILEC has met service quality requirements in the preceding two consecutive quarters.
4. It requires the price cap ILEC to continue to offer to each provider of last resort service customer to whom it was providing the service on the date the obligation to provide the service was removed, a telephone service with the same rates, terms and conditions as it provides to provider of last resort service customers to whom it is obligated to provide provider of last resort service, for one year from the date the obligation was removed.
5. It requires the commission to host a public meeting in each municipality affected by a proposed change in provider of last resort service to allow customers of a price cap ILEC to obtain information about the upcoming changes to service.
6. It requires that affected provider of last resort service customers be given advance notice of a change in provider of last resort service in the price cap ILEC's monthly billing statement, along with the date, time and location of a public meeting to be hosted by the commission.

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7. It allows, after a price cap ILEC has been relieved of its obligation to provide provider of last resort service in all the municipalities listed in the amendment, the price cap ILEC to petition the commission to be relieved of its obligation in one or more additional municipalities upon a finding that, in addition to the incumbent local exchange carrier, there is at least one wireline-facilities-based voice network service provider that offers service to at least 95% of the households in the municipality and one or more mobile telecommunications services providers that on a combined basis offer mobile telecommunications services to at least 97% of the households in the municipality, and that the price cap ILEC has met service quality requirements in the preceding two consecutive quarters.
8. It requires the commission to establish by rule the sources of information it will use, as well as the methodology it will employ, to make determinations on petitions.
9. It prohibits the commission from requiring wireline-facilities-based voice network service providers and mobile telecommunications services providers to provide competitive information.
10. It requires a price cap ILEC to provide 90 days' advance notice of its intent to file a petition; the notice must be provided to the Public Utilities Commission, the Office of the Public Advocate and each customer in the municipality in which the price cap ILEC will be seeking relief from the provider of last resort service obligation.
11. It requires the commission to hold a public hearing in each affected municipality to allow customers and residents to testify, and requires that notice of the hearing be published by the price cap ILEC in a newspaper of general circulation.
12. It requires the commission to make a determination on a petition within 180 days, except that the commission may at its discretion extend this period for up to an additional 30 days.
13. It prohibits a price cap ILEC from discontinuing, reducing or impairing the service that it provides in a municipality, or part of a municipality, where it has previously served as the provider of provider of last resort service, unless the commission approves the discontinuance, reduction or impairment.
14. It allows the commission, if it approves a discontinuance, reduction or impairment of service, to impose terms, conditions or requirements to protect the public interest.
15. It requires the commission to adopt major substantive rules to implement the provisions related to the removal of provider of last resort service obligations and the abandonment process.
16. It specifies the rate a price cap ILEC may charge a provider of last resort service customer is not to exceed \$20 for a residential customer, except that, after one year after the applicable provision becomes effective, the price cap ILEC may raise the rate by no more than 5% annually.
17. It requires that low-income customers, which are those who qualify for assistance under the Federal Communications Commission's Lifeline program, receive a monthly \$3.50 discount.
18. It establishes service quality requirements that must be met by a price cap ILEC providing provider of last resort service.
19. It requires a price cap ILEC to report quarterly to the commission on service quality metrics based on rolling one-year averages. The reports are confidential unless the price cap ILEC fails to meet service quality requirements for two consecutive quarters.
20. It requires the commission to issue an order directing that service quality be addressed if the service quality requirements are not met for any two consecutive quarters and the failure was within the price cap ILEC's control.

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21. It requires the commission to impose a penalty if a price cap ILEC fails to comply with an order directing that service quality be addressed.
22. It requires the commission to review its rules regarding service quality for providers of provider of last resort service and make any changes needed as a result of the enactment of the Maine Revised Statutes, Title 35-A, section 7225-A. The rule amendments are routine technical rules; such rules if adopted pursuant to statute would be major substantive rules.
23. It requires the commission to submit to the joint standing committee of the Legislature having jurisdiction over energy and utilities matters a report in 2018 and again in 2020 that includes a list of the municipalities in which the provider of last resort service obligation has been removed, as well as the effects of the removal on former provider of last resort service customers, the price cap ILEC's workforce, the maintenance and status of the copper line network, public safety and the cost, features and availability of telephone service, including service to the hearing impaired, and broadband service. Each report may include recommended legislation, and the committee may report out a bill for each report to the Legislature.
24. It prohibits the commission from accepting a petition to remove a provider of last resort service obligation, until 90 days after the adjournment of the legislative session in which a provider of last resort service report due in 2018 or 2020 was submitted, if in its report it makes any recommendations to modify or remove the petition process.
25. It requires the commission to examine all laws and rules of the State relating to provider of last resort service as they apply to a price cap ILEC and determine whether any changes may be needed to address the changes created by this amendment. It requires the commission to submit a report of its findings on this process, together with any necessary draft legislation to implement its recommendations, to the joint standing committee of the Legislature having jurisdiction over utilities and energy matters by December 15, 2016. The committee may report out a bill related to provider of last resort service to the First Regular Session of the 128th Legislature.
26. It requires that as part of its annual report the commission include information related to the changes in provider of last resort service.

### **Committee Amendment "B" (H-656)**

This amendment is the minority report of the committee. It is the same as the majority report except for the following differences.

1. It does not require that the price cap ILEC meet service quality requirements in the preceding two consecutive quarters in order for the price cap ILEC to be relieved of the obligation to provide provider of last resort service in certain municipalities.
2. It requires the price cap ILEC to continue to offer to each provider of last resort service customer to whom it was providing the service on the date the obligation to provide the service was removed, a telephone service with the same rates, terms and conditions as it provides to provider of last resort service customers to whom it is obligated to provide provider of last resort service, for five years from the date the obligation was removed, instead of one year as in the majority report.
3. It does not prohibit the Public Utilities Commission from requiring wireline-facilities-based network providers and mobile telecommunications service providers to provide competitive information.
4. It maintains the current service quality requirements that were adopted through commission rulemaking, unlike the majority report, which includes specific service quality requirements in statute.
5. It changes reporting dates for commission review of the effect of the relief from provider of last resort obligation

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to 2020 and 2022, instead of 2018 and 2020 as in the majority report.

6. It requires the commission to include information on the removal of the provider of last resort obligation in its annual report until 2024 instead of 2022 as in the majority report.

This amendment was not adopted.

### **Enacted Law Summary**

Public Law 2015, chapter 462 does the following.

1. It defines the term "price cap incumbent local exchange carrier," or "price cap ILEC."
2. It provides that, 30 days after the applicable provision becomes effective, the price cap ILEC's provider of last resort service obligation will cease in Portland, Lewiston, Bangor, South Portland, Auburn, Biddeford and Sanford.
3. It provides that, every six months from the date the applicable provision becomes effective, the obligation of a price cap ILEC to provide provider of last resort service will be removed by issuance of a certificate by the Public Utilities Commission, in 5 of the additional 15 municipalities listed in the amendment, in order, as long as the price cap ILEC has met service quality requirements in the preceding two consecutive quarters.
4. It requires the price cap ILEC to continue to offer to each provider of last resort service customer to whom it was providing the service on the date the obligation to provide the service was removed, a telephone service with the same rates, terms and conditions as it provides to provider of last resort service customers to whom it is obligated to provide provider of last resort service, for one year from the date the obligation was removed.
5. It requires the commission to host a public meeting in each municipality affected by a proposed change in provider of last resort service to allow customers of a price cap ILEC to obtain information about the upcoming changes to service.
6. It requires that affected provider of last resort service customers be given advance notice of a change in provider of last resort service in the price cap ILEC's monthly billing statement, along with the date, time and location of a public meeting to be hosted by the commission.
7. It allows, after a price cap ILEC has been relieved of its obligation to provide provider of last resort service in all the municipalities listed in the amendment, the price cap ILEC to petition the commission to be relieved of its obligation in one or more additional municipalities upon a finding that, in addition to the incumbent local exchange carrier, there is at least one wireline-facilities-based voice network service provider that offers service to at least 95% of the households in the municipality and one or more mobile telecommunications services providers that on a combined basis offer mobile telecommunications services to at least 97% of the households in the municipality, and that the price cap ILEC has met service quality requirements in the preceding two consecutive quarters.
8. It requires the commission to establish by rule the sources of information it will use, as well as the methodology it will employ, to make determinations on petitions.
9. It prohibits the commission from requiring wireline-facilities-based voice network service providers and mobile telecommunications services providers to provide competitive information.
10. It requires a price cap ILEC to provide 90 days' advance notice of its intent to file a petition; the notice must be provided to the Public Utilities Commission, the Office of the Public Advocate and each customer in the municipality in which the price cap ILEC will be seeking relief from the provider of last resort service obligation.
11. It requires the commission to hold a public hearing in each affected municipality to allow customers and residents to testify and requires that notice of the hearing be published by the price cap ILEC in a newspaper of

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general circulation.

12. It requires the commission to make a determination on a petition within 180 days, except that the commission may at its discretion extend this period for up to an additional 30 days.

13. It prohibits a price cap ILEC from discontinuing, reducing or impairing the service that it provides in a municipality, or part of a municipality, where it has previously served as the provider of provider of last resort service, unless the commission approves the discontinuance, reduction or impairment.

14. It allows the Public Utilities Commission, if it approves a discontinuance, reduction or impairment of service, to impose terms, conditions or requirements to protect the public interest.

15. It requires the commission to adopt major substantive rules to implement the provisions related to the removal of provider of last resort service obligations and the abandonment process.

16. It specifies the rate a price cap ILEC may charge a provider of last resort service customer is not to exceed \$20 for a residential customer, except that, after one year after the applicable provision becomes effective, the price cap ILEC may raise the rate by no more than 5% annually.

17. It requires that low-income customers, which are those who qualify for assistance under the Federal Communications Commission's Lifeline program, receive a monthly \$3.50 discount.

18. It establishes service quality requirements that must be met by a price cap ILEC providing provider of last resort service.

19. It requires a price cap ILEC to report quarterly to the commission on service quality metrics based on rolling one-year averages. The reports are confidential unless the price cap ILEC fails to meet service quality requirements for two consecutive quarters.

20. It requires the commission to issue an order directing that service quality be addressed if the service quality requirements are not met for any two consecutive quarters and the failure was within the price cap ILEC's control.

21. It requires the commission to impose a penalty if a price cap ILEC fails to comply with an order directing that service quality be addressed.

22. It requires the commission to review its rules regarding service quality for providers of provider of last resort service and make any changes needed as a result of the enactment of the Maine Revised Statutes, Title 35-A, section 7225-A. The rule amendments are routine technical rules; such rules if adopted pursuant to statute would be major substantive rules.

23. It requires the commission to submit to the joint standing committee of the Legislature having jurisdiction over energy and utilities matters a report in 2018 and again in 2020 that includes a list of the municipalities in which the provider of last resort service obligation has been removed, as well as the effects of the removal on former provider of last resort service customers, the price cap ILEC's workforce, the maintenance and status of the copper line network, public safety and the cost, features and availability of telephone service, including service to the hearing impaired, and broadband service. Each report may include recommended legislation, and the committee may report out a bill for each report to the Legislature.

24. It prohibits the commission from accepting a petition to remove a provider of last resort service obligation, until 90 days after the adjournment of the legislative session in which a provider of last resort service report due in 2018 or 2020 was submitted, if in its report it makes any recommendations to modify or remove the petition process.



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25. It requires the commission to examine all laws and rules of the State relating to provider of last resort service as they apply to a price cap ILEC and determine whether any changes may be needed to address the changes created by this amendment. It requires the commission to submit a report of its findings on this process, together with any necessary draft legislation to implement its recommendations, to the joint standing committee of the Legislature having jurisdiction over utilities and energy matters by December 15, 2016. The committee may report out a bill related to provider of last resort service to the First Regular Session of the 128th Legislature.

26. It requires that as part of its annual report the commission include information related to the changes in provider of last resort service.

**LD 826      An Act To Promote Maine's Economic Development and Critical Communications for Rural Family Farms, Businesses and Residences by Strategic Public Investments in High-speed Internet      Died On Adjournment**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SAUCIER R EDGEComb P	OTP-AM ONTP	H-523 H-542    DION M

This bill was carried over from the First Regular Session of the 127th Legislature.

This bill is a concept draft pursuant to Joint Rule 208.

This bill proposes to increase funding to the ConnectME Authority from \$1,000,000 to \$5,000,000 to expand universal broadband and high-speed Internet into rural areas identified as the 6% of the State unserved by high-speed Internet. This bill proposes to make expanding high-speed Internet into unserved rural areas a key emphasis in the economic development of and to multiply the return to the State by directing the ConnectME Authority to use the increased funding to increase the rate of strategic broadband investment and leverage additional federal funding to provide middle-mile and last-mile infrastructure in the unserved areas and to correct broadband deficiencies identified in the ConnectME Authority's baseline update of 2013.

**Committee Amendment "A" (H-523)**

This amendment is the majority report of the committee and replaces the bill, which is a concept draft. The amendment provides an ongoing appropriation of \$1,000,000 annually from the General Fund to the ConnectMe Authority to be used for planning grants and to increase the deployment of broadband service.

**House Amendment "B" To Committee Amendment "A" (H-542)**

This amendment specifies that the funding must be used to increase the deployment of broadband service in unserved areas of the State.

**LD 879      An Act To Ensure High-quality Telecommunications Services for Maine Consumers and Businesses      ONTP**

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

The bill was carried over from the First Regular Session of the 127th Legislature.

This bill makes several changes in the regulation of telecommunications utilities.

1. It permits the Public Utilities Commission to eliminate alternative forms of regulation if the commission