

MAINE STATE LEGISLATURE

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STATE OF MAINE
127TH 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

127TH 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 127th 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 127th 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.

Joint Standing Committee on Energy, Utilities and Technology

municipal market segment;

2. Specifies that the commercial and industrial market segment also includes municipalities and increases that market segment to 40 megawatts from 25 megawatts;
3. Reserves eight megawatts for agricultural businesses and adds a definition of "agricultural business;"
4. Caps the prices to be paid for each market segment by requiring the Public Utilities Commission to reject bids that exceed specified percentages of the residential price as follows:
 - A. Grid scale, 75% of the residential price;
 - B. Community, 90% of the residential price; and
 - C. Commercial, industrial and municipal, 90% of the residential price.
5. Reduces from \$10,500,000 to \$6,600,000 the total price for residential contracts to reflect the smaller procurement target size;
6. Requires that the commission impose a cap on the rate adjustment mechanism to ensure that costs do not exceed the cost impact to ratepayers of net metering and to specify this cap by rule;
7. Specifies that the commission may require 15-year contracts if it concludes that shorter contracts would benefit ratepayers; and
8. Establishes an additional reporting requirement in 2020 regarding the impact of the cost to all ratepayers of the procurement targets.

LD 1651

**An Act To Exempt Certain Natural Gas Consumers from an Assessment
and To Extend a Moratorium on Assessments for Other Large-volume
Consumers of Natural Gas**

PUBLIC 425

Sponsor(s)

Committee Report

Amendments Adopted

This bill was reported ought to pass by the committee pursuant to Resolve 2015, chapter 39, section 2.

This bill prohibits the Public Utilities Commission from allowing a gas utility to collect an assessment under the Maine Revised Statutes, Title 35-A, section 10111 through its rates from a wholesale electricity-generating facility that has a nameplate capacity of three megawatts or more and prohibits such a facility from participating in any natural gas conservation program. The bill also establishes a moratorium on assessments for large-volume consumers by gas utilities until 90 days after the adjournment of the First Regular Session of the 128th Legislature. This bill specifies that the Public Utilities Commission may not allow a natural gas utility to collect an assessment under Title 35-A, section 10111 through its rates from large-volume consumers and may not make a final decision regarding the appropriateness of or size of such collections from large-volume consumers. The bill specifies that the Public Utilities Commission may not order or authorize a natural gas utility to exempt from collection of an assessment through its rates any consumers other than large-volume consumers. The bill specifies that, during this same time period, large-volume consumers are not eligible to participate in any Efficiency Maine Trust natural gas conservation programs. This bill also ensures that any assessment by the commission under Title 35-A, section 10111 must be in an amount necessary to capture all cost-effective energy efficiency that is achievable and reliable only for consumers who are not exempt under Title 35-A, section 10111, subsection 2-A, or who are not

Joint Standing Committee on Energy, Utilities and Technology

large-volume consumers, until 90 days after adjournment of the First Regular Session of the 128th Legislature.

This bill defines "large-volume consumer" as a consumer using 1,000,000 centum cubic feet or more of natural gas per year.

Enacted Law Summary

Public Law 2015, chapter 425 prohibits the Public Utilities Commission from allowing a gas utility to collect an assessment under the Maine Revised Statutes, Title 35-A, section 10111 through its rates from a wholesale electricity-generating facility that has a nameplate capacity of three megawatts or more and prohibits such a facility from participating in any natural gas conservation program. The law also establishes a moratorium on assessments for large-volume consumers by gas utilities until 90 days after the adjournment of the First Regular Session of the 128th Legislature. This law specifies that the Public Utilities Commission may not allow a natural gas utility to collect an assessment under Title 35-A, section 10111 through its rates from large-volume consumers and may not make a final decision regarding the appropriateness of or size of such collections from large-volume consumers. The law specifies that the Public Utilities Commission may not order or authorize a natural gas utility to exempt from collection of an assessment through its rates any consumers other than large-volume consumers. The law specifies that, during this same time period, large-volume consumers are not eligible to participate in any Efficiency Maine Trust natural gas conservation programs. This law also ensures that any assessment by the commission under Title 35-A, section 10111 must be in an amount necessary to capture all cost-effective energy efficiency that is achievable and reliable only for consumers who are not exempt under Title 35-A, section 10111, subsection 2-A, or who are not large-volume consumers, until 90 days after adjournment of the First Regular Session of the 128th Legislature.

This law defines "large-volume consumer" as a consumer using 1,000,000 centum cubic feet or more of natural gas per year.

LD 1676 An Act To Establish a Process for the Procurement of Biomass Resources

**PUBLIC 483
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
	OTP-AM OTP-AM ONTP	S-517 S-539 WOODSOME D

This bill is reported by the committee pursuant to joint order, S.P. 668.

This bill directs the Public Utilities Commission to conduct competitive solicitations and negotiate the procurement of new or existing renewable resources. The commission is directed to procure by September 1, 2016, through an expedited proceeding, 80 megawatts of new or existing renewable resources for contracts of five years and, by September 1, 2017, 60 megawatts of new or existing renewable resources for contracts of no longer than ten years. This bill provides that any facility that generates new or existing renewable resources that are procured by the commission is deemed to produce zero greenhouse gas emissions.

Committee Amendment "A" (S-517)

This amendment is the majority report of the committee and it strikes and replaces the bill. The amendment does the following.

1. It directs the Public Utilities Commission to initiate a competitive solicitation as soon as practicable to procure up to 80 megawatts of biomass resources, contingent upon available funds for above-market costs.
2. It allows the contract to be a contract for energy or a contract for differences.