

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from electronic originals
(may include minor formatting differences from printed original)

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

MEMBERS:

SEN. DAVID WOODSOME, CHAIR
SEN. GARRETT P. MASON
SEN. DAWN HILL

REP. MARK N. DION, CHAIR
REP. ROBERTA B. BEAVERS
REP. CHRISTOPHER W. BABBIDGE
REP. DEANE RYKERSON
REP. JENNIFER L. DECHANT
REP. MARTIN J. GROHMAN
REP. BETH A. O'CONNOR
REP. NORMAN E. HIGGINS
REP. NATHAN J. WADSWORTH
REP. LARRY C. DUNPHY

STAFF:

DEIRDRE SCHNEIDER, LEGISLATIVE ANALYST
OFFICE OF POLICY AND LEGAL ANALYSIS
13 STATE HOUSE STATION
AUGUSTA, ME 04333
(207) 287-1670
<http://legislature.maine.gov/legis/opla/>

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

possible, that a contract entered into provides benefits to ratepayers; provides in-state benefits, such as capital investments to improve long-term viability of the facility, permanent direct jobs, payments to municipalities, payments for fuel harvested in the State, payment for in-state resource access, in-state purchases of goods and services and construction-related jobs and purchases; reduces greenhouse gas emissions; promotes fuel diversity; and supports or improves grid reliability. It provides that if the commission concludes that the solicitation is not competitive, no bidders may be selected and the commission is not obligated to enter into a contract.

It requires that the commission determine the total in-state economic benefits of the contract in an expected annual dollar per megawatt-hour average and the cost to fund the above-market costs of a contract in an expected annual dollar per megawatt-hour average. This law specifies that if the commission finds the in-state benefits are not being achieved, the commission may reduce the contract payment by the percentage difference between actual in-state benefits achieved and the projected in-state benefits.

This law creates a non-lapsing fund within the commission, called the cost recovery fund, to pay the above-market costs of the contract, which is funded through transfers at the close of fiscal year 2015-16 from the unappropriated surplus of the General Fund of up to \$13,400,000. It prohibits facilities serving the area administered by the independent system administrator for northern Maine or any successor of the independent system administrator for northern Maine from being awarded more than 50% of the funds.

This law requires that at the close of fiscal year 2016-17, amounts remaining in the cost recovery fund that the commission has determined are not needed to pay above-market costs must be transferred to the Maine Budget Stabilization Fund established under the Maine Revised Statutes, Title 5, section 1532. It requires all costs that are not above-market costs and direct financial benefits associated with a contract for biomass resources to be allocated to ratepayers in accordance with Title 35-A, section 3210-F. It requires the commission by rule or order to establish how above-market costs are determined and how payments from the fund are to be made. It allows the commission to adopt routine technical rules to implement this law.

Public Law 2015, chapter 483 was enacted as an emergency measure effective April 16, 2016.

LD 1693

Resolve, Establishing the Commission To Study the Economic, Environmental and Energy Benefits of the Maine Biomass Industry

RESOLVE 85

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GIDEON S BURNS D	OTP-AM	H-662

This resolve establishes the Commission to Study the Economic, Environmental and Energy Benefits of the Maine Biomass Industry. Membership of the commission consists of, among others, Legislators, a wood harvester and representatives of the biomass energy generation industry, a sawmill, the pulp and paper industry and users of biomass energy. The commission is required to examine and evaluate the economic, environmental and energy benefits of Maine's biomass resources, as well as public policy and economic proposals to create and maintain a sustainable future for the Maine biomass industry, and determine whether the environmental, economic and energy benefits of biomass support updating the State's energy policy to strengthen and increase the role that biomass and the forest products industry play throughout the State. The commission is required to report the results of its study and any recommendations by December 6, 2016 to the Joint Standing Committee on Energy, Utilities and Technology and the Joint Standing Committee on Agriculture, Conservation and Forestry.

Committee Amendment "A" (H-662)

This amendment removes from membership on the commission established in the resolve the Director of the Efficiency Maine Trust, or the director's designee, and the chair of the Public Utilities Commission, or the chair's designee. It removes language that limits who may provide public input. It removes the requirement that the commission hire a third party to help with data collection, research and best practices and to develop policy

Joint Standing Committee on Energy, Utilities and Technology

recommendations. Lastly, it removes language that requires the commission to be funded by federal funds provided by the United States Department of Energy.

Enacted Law Summary

Resolve 2015, chapter 85 establishes the Commission to Study the Economic, Environmental and Energy Benefits of the Maine Biomass Industry. Membership of the commission consists of Legislators, a wood harvester and representatives of the biomass energy generation industry, a sawmill, the pulp and paper industry and users of biomass energy. The commission is required to examine and evaluate the economic, environmental and energy benefits of Maine's biomass resources, as well as public policy and economic proposals to create and maintain a sustainable future for the Maine biomass industry, and determine whether the environmental, economic and energy benefits of biomass support updating the State's energy policy to strengthen and increase the role that biomass and the forest products industry play throughout the State. The commission is required to report the results of its study and any recommendations by December 6, 2016 to the Joint Standing Committee on Energy, Utilities and Technology and the Joint Standing Committee on Agriculture, Conservation and Forestry.

LD 1703 An Act To Make a Technical Correction to Public Law 2015, Chapter 483

**PUBLIC 513
EMERGENCY**

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

This bill was not referred to committee.

This bill makes a technical correction to Public Law 2015, chapter 483. This bill removes an unnecessary reference to an inapplicable section of law, and clarifies that the transfer of funds to a cost recovery fund occurs after the transfer to the Reserve for General Fund Operating Capital pursuant to the Maine Revised Statutes, Title 5, section 1536. The bill also includes a retroactivity clause making the technical correction applicable retroactively to April 16, 2016.

Enacted Law Summary

Public Law 2015, chapter 513 makes a technical correction to Public Law 2015, chapter 483. This law removes an unnecessary reference to an inapplicable section of law, and clarifies that the transfer of funds to a cost recovery fund occurs after the transfer to the Reserve for General Fund Operating Capital pursuant to the Maine Revised Statutes, Title 5, section 1536. This law also includes a retroactivity clause making the technical correction applicable retroactively to April 16, 2016.

Public Law 2015, chapter 513 was enacted as an emergency measure effective May 3, 2016.