MAINE STATE LEGISLATURE

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STATE OF MAINE

 128^{TH} Legislature First Special, Second Regular and Second Special Sessions



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

JOINT STANDING COMMITTEE ON ENERGY, UTILITIES AND TECHNOLOGY

October 2018

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 $128^{\text{th}}\,Legislature$ First Special, Second Regular and Second Special Sessions



LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* contain summaries of all LDs and adopted amendments and all laws enacted or finally passed during the First Special, Second Regular and Second Special Sessions of the 128th 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
CONF CMTE UNABLE TO AGREE
DIED BETWEEN HOUSES
DIED IN CONCURRENCE defeated in each house, but on different motions; legislation died
DIED ON ADJOURNMENT action incomplete when session ended; legislation died
EMERGENCYenacted law takes effect sooner than 90 days after session adjournment
FAILED, EMERGENCY ENACTMENT or FINAL PASSAGEemergency failed to receive required 2/3 vote
FAILED, ENACTMENT or FINAL PASSAGE
FAILED, MANDATE ENACTMENTlegislation 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 WITHDRAWsponsor's request to withdraw legislation granted
NOT PROPERLY BEFORE THE BODYruled 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
PUBLIC XXX chapter # of enacted public law
RESOLVE XXX
VETO SUSTAINEDLegislature failed to override Governor's veto

The effective dates for non-emergency legislation enacted in the First Special, Second Regular or Second Special Sessions of the 128th Legislature are: Monday, February 5, 2018; Wednesday, August 1, 2018; and Thursday, December 13, 2018, respectively. 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

Public Law 2017, chapter 408 was enacted as an emergency measure effective May 1, 2018.

LD 1895 An Act Regarding Energy Costs

Died Between Houses

Sponsor(s)	Committee Report	Amendments Adopted
WADSWORTH N		

This bill was carried over from the Second Regular Session to the next special session by joint order S.P. 748. The bill was not referred to committee.

Current law requires the Public Utilities Commission to assess a gas utility an amount necessary to fund the natural gas conservation fund, a fund administered by the Efficiency Maine Trust, which must be used to promote the efficient use of natural gas. The assessment may be collected from consumers of the gas utility. The commission is required to return the value of any funds collected but not used after two years to consumers.

This bill requires the trust to remit any funds held in the fund more than two years after being collected to gas utilities. A gas utility receiving such funds may use those funds to assist residential or commercial consumers or potential consumers in using natural gas for heating. If a utility does not use or contract for the use of such funds within one year of receipt, the utility must return the funds to the trust and the commission is required to determine how to return those unexpended funds to consumers.

LD 1896

An Act To Improve Efficiency through Electric Rate Design and Advanced Technology

Died Between Houses

Sponsor(s)	Committee Report	Amendments Adopted
BRAKEY E	ONTP	
FARRIN B	OTP-AM	

This bill requires the Public Utilities Commission to promote recovery of fixed transmission and distribution costs through fixed customer costs, to the extent practicable and economically efficient, and to examine and make appropriate changes to transmission and distribution utility rate class designations to the extent such changes would improve equity and economic efficiency. The bill further requires the commission to implement transmission and distribution rates that vary by time of day and season or other relevant cost drivers, to the extent practicable, to achieve economic efficiency.

The bill requires investor-owned transmission and distribution utilities to submit specific rate design proposals to the commission by January 1, 2019, and provides that such plans must include proposals for implementing cost-effective programs and load-control technologies to optimize distribution circuit and transmission system load profiles and rates or programs that encourage incremental usage if such uses would lower rates for all customer classes. The bill removes the requirement that transmission and distribution utilities' proposals include cost-effective conversions of electric space heat systems.

The bill also removes the requirement that rate design changes implemented pursuant to the Maine Revised Statutes, Title 35-A, section 3153-A be implemented on a temporary, pilot or experimental basis and requires the commission to implement policies and practices to encourage competitive electricity providers to offer residential and commercial customers supply prices reflective of real-time market price variations.

Joint Standing Committee on Energy, Utilities and Technology

The bill provides that any Efficiency Maine Trust funds targeted to low-income residential transmission and distribution customers that remain unspent at the end of a fiscal year may, at the commission's discretion, be returned to investor-owned transmission and distribution utilities to offset bill increases to low-income transmission and distribution customers resulting from the bill's rate design changes. The bill also provides that Efficiency Maine Trust funds targeted to low-income residential transmission and distribution customers that are uncommitted 2 years after having been collected must be returned to those customers.

Committee Amendment "A" (S-465)

This amendment, which is the minority report of the committee and replaces the bill, specifies that the purposes of the law regarding rate design are to require the Public Utilities Commission to consider fixed customer charges, to the extent practicable and economically efficient, and to set transmission and distribution rates that vary by time of day and season or other relevant cost drivers, to the extent practicable, to achieve economic efficiency. Like the bill, the amendment does the following.

- 1. It requires investor-owned transmission and distribution utilities to submit specific rate design proposals to the commission by January 1, 2019.
- 2. It removes the requirement that transmission and distribution utilities' proposals include cost-effective conversions of electric space heat systems.
- 3. It removes the requirement that rate design changes implemented pursuant to the Maine Revised Statutes, Title 35-A, section 3153-A be implemented on a temporary, pilot or experimental basis and requires the commission to implement policies and practices to encourage competitive electricity providers to offer residential and commercial customers supply prices reflective of real-time market price variations.
- 4. It provides that Efficiency Maine Trust funds targeted to low-income residential transmission and distribution consumers that are uncommitted two years after having been collected must be returned to those consumers.

The amendment also directs the Office of the Public Advocate to convene a stakeholder group to evaluate options and prepare recommendations for certain issues related to the efficient and effective implementation of smart grid policy, including addressing costs and financial incentives of transmission and distribution utilities and the smart grid coordinator and describing roles for the Public Advocate, Public Utilities Commission, Efficiency Maine Trust and transmission and distribution utilities with regard to nonwires alternatives and other smart grid functions. It also prohibits the Public Utilities Commission from implementing any final decisions related to rate proposals received pursuant to the commission's order of December 15, 2017, in the Public Utilities Commission's Docket No. 2016-00049 from any transmission and distribution utility until 90 days after adjournment of the First Regular Session of the 129th Legislature.

Lastly, it requires the Public Utilities Commission to convene a stakeholder group to discuss allowing the Efficiency Maine Trust to use funds for electricity conservation programs for low-income residential consumers to promote the placement of high-efficiency ductless heat pumps into qualified low-income homes by allowing the trust in its cost-effectiveness test to account for all energy savings derived from a high-efficiency ductless heat pump, including nonelectric savings.