

MAINE STATE LEGISLATURE

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STATE OF MAINE
129TH LEGISLATURE
FIRST REGULAR SESSION



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

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

August 2019

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STATE OF MAINE

129TH LEGISLATURE
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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 First Regular Session of the 129th 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 FINAL 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 129th Legislature is Thursday, September 19, 2019. 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

LD 1181

An Act To Reduce Electricity Costs through Nonwires Alternatives

PUBLIC 298

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BERRY S LAWRENCE M	OTP-AM	H-431

This bill establishes the position of nonwires alternative coordinator in the Office of the Public Advocate. The duties of the nonwires alternative coordinator include investigation and identification of nonwires alternatives to proposed transmission lines and proposed transmission projects and evaluation of the costs and benefits of nonwires alternatives compared to utility capital investments in the transmission and distribution system. The bill requires the nonwires alternative coordinator to include and collaborate with transmission and distribution utilities, the Efficiency Maine Trust and interested parties in conducting the coordinator's review and analysis of proposed utility capital investments and nonwires alternatives. The duties of the coordinator also include making recommendations for nonwires alternatives to the Public Utilities Commission, proposing procurement plans for nonwires alternatives and implementing procurement plans approved by the commission. The bill specifies that a procurement plan for nonwires alternatives may provide for the Efficiency Maine Trust to procure and deliver, through its existing programs, nonwires alternatives, and it authorizes the Efficiency Maine Trust, in its triennial plan or annual update plan, to include the costs of providing nonwires alternatives in its budget for electric efficiency and conservation programs.

The bill amends the law governing the construction of transmission lines and the construction of transmission or distribution projects by transmission and distribution utilities. It defines a transmission or distribution project as a transmission or distribution line operating at less than 69 kilovolts projected to cost over \$500,000; current law defines a transmission project as a transmission line operating at less than 69 kilovolts projected to cost over \$20,000,000. The bill requires the nonwires alternative coordinator to conduct an investigation of proposed transmission lines and proposed transmission or distribution projects prior to approval of any line or project by the Public Utilities Commission. It requires the commission to consider the results of the investigation conducted by and the recommendations of the nonwires alternative coordinator regarding nonwires alternatives to the proposed transmission line or transmission or distribution project.

The bill requires each transmission and distribution utility to file an annual schedule of transmission line rebuilding or relocation projects and minor transmission line construction projects with the nonwires alternative coordinator in addition to with the Public Utilities Commission. It also establishes a requirement for each transmission and distribution utility to prepare and file annually with the commission and the nonwires alternative coordinator a distribution system planning study describing system capacity and load and growth-related needs for the upcoming five years to ensure electric grid reliability.

The bill makes several changes to the law on smart grid infrastructure policy. It establishes that it is in the public interest to establish a nonwires alternative coordinator for the State. It allows utilities to adjust rates to recover incremental costs associated with operations of the nonwires alternative coordinator and costs of procuring nonwires alternatives and eliminates the requirement that incremental costs be prudently incurred to be recoverable. It requires the Public Advocate's annual report to include a report on the State's progress on smart grid infrastructure.

Committee Amendment "A" (H-431)

This amendment strikes and replaces the bill and does the following.

1. It requires the Public Advocate to contract with a person or entity to serve as the nonwires alternative coordinator.

Joint Standing Committee on Energy, Utilities and Technology

2. It provides that funding of the contracted services of the nonwires alternative coordinator is provided through a special assessment on investor-owned transmission and distribution utilities.
3. It adjusts the salary range of the Special Assistant to the Public Advocate from range 20 to range 25.
4. It amends the definition of "transmission project" to cover projects expected to cost in excess of \$5,000,000, rather than those in excess of \$20,000,000 as in current law.
5. It amends the provisions relating to transmission lines and transmission projects subject to investigation of nonwires alternatives in several ways. It limits the requirement for a nonwires alternative investigation to apply to transmission lines and projects proposed by investor-owned transmission and distribution utilities, rather than transmission and distribution utilities in general. It also adds a category of small transmission and distribution projects subject to nonwires alternatives investigation.
6. It establishes cost-effectiveness as the analytical framework and standard for the investigation of nonwires alternatives for all types of projects and requires a benefit-cost analysis to evaluate cost-effectiveness. It requires the nonwires alternative coordinator to develop and make recommendations regarding the cost-effectiveness of nonwires alternatives and a proposed plan for procurement of nonwires alternatives.
7. It requires an investor-owned transmission and distribution utility to submit annually to the Office of the Public Advocate a planning study for small transmission and distribution projects.
8. It requires the nonwires alternative coordinator to provide recommendations to investor-owned transmission and distribution utilities for nonwires alternatives to small transmission projects and distribution projects and requires the coordinator and the utility to attempt to reach a good faith agreement on the adoption of nonwires alternatives. If no agreement is reached, the utility is required to petition the Public Utilities Commission to resolve the dispute.
9. It includes provisions regarding procurement of nonwires alternatives. These provisions require a transmission and distribution utility to contract with the Efficiency Maine Trust to deliver nonwires alternatives that are on the customer side of the meter and require the commission to determine the entity, which may be the utility or a third party, to deliver nonwires alternatives that are on the grid side of the meter.
10. It provides that a transmission and distribution utility's prudently incurred costs to deliver nonwires alternatives are recoverable in rates.
11. It adds a provision to reference the activities of the nonwires alternative coordinator in the Efficiency Maine Trust Act regarding coordination with activities and programs of state agencies and authorities.
12. It makes changes to the law on smart grid infrastructure policy and establishes that it is in the public interest to establish a nonwires alternative coordinator for the State.

Enacted Law Summary

Public Law 2019, chapter 298 does the following.

1. It requires the Public Advocate to contract with a person or entity to serve as the nonwires alternative coordinator.
2. It provides that funding of the contracted services of the nonwires alternative coordinator is provided through a special assessment on investor-owned transmission and distribution utilities.
3. It adjusts the salary range of the Special Assistant to the Public Advocate from range 20 to range 25.

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- 4. It amends the definition of "transmission project" to cover projects expected to cost in excess of \$5,000,000, rather than those in excess of \$20,000,000 as in current law.
- 5. It amends the provisions relating to transmission lines and transmission projects subject to investigation of nonwires alternatives in several ways. It limits the requirement for a nonwires alternative investigation to apply to transmission lines and projects proposed by investor-owned transmission and distribution utilities, rather than transmission and distribution utilities in general. It also adds a category of small transmission and distribution projects subject to nonwires alternatives investigation.
- 6. It establishes cost-effectiveness as the analytical framework and standard for the investigation of nonwires alternatives for all types of projects and requires a benefit-cost analysis to evaluate cost-effectiveness. It requires the nonwires alternative coordinator to develop and make recommendations regarding the cost-effectiveness of nonwires alternatives and a proposed plan for procurement of nonwires alternatives.
- 7. It requires an investor-owned transmission and distribution utility to submit annually to the Office of the Public Advocate a planning study for small transmission and distribution projects.
- 8. It requires the nonwires alternative coordinator to provide recommendations to investor-owned transmission and distribution utilities for nonwires alternatives to small transmission projects and distribution projects and requires the coordinator and the utility to attempt to reach a good faith agreement on the adoption of nonwires alternatives. If no agreement is reached, the utility is required to petition the Public Utilities Commission to resolve the dispute.
- 9. It includes provisions regarding procurement of nonwires alternatives. These provisions require a transmission and distribution utility to contract with the Efficiency Maine Trust to deliver nonwires alternatives that are on the customer side of the meter and require the commission to determine the entity, which may be the utility or a third party, to deliver nonwires alternatives that are on the grid side of the meter.
- 10. It provides that a transmission and distribution utility's prudently incurred costs to deliver nonwires alternatives are recoverable in rates.
- 11. It adds a provision to reference the activities of the nonwires alternative coordinator in the Efficiency Maine Trust Act regarding coordination with activities and programs of state agencies and authorities.
- 12. It makes changes to the law on smart grid infrastructure policy and establishes that it is in the public interest to establish a nonwires alternative coordinator for the State.

LD 1186 An Act To Address Electricity Costs of Agricultural Fairs

**PUBLIC 169
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
HIGGINS N GRATWICK G	OTP-AM	H-228

This bill provides that a transmission and distribution utility may not assess a person or entity licensed to hold an agricultural fair a demand charge in connection with electric power or service provided for an agricultural fair.

Committee Amendment "A" (H-228)

This amendment replaces the bill. The amendment establishes a program administered by the Efficiency Maine Trust to help agricultural fairs reduce electricity costs through efficiency and conservation. The program includes outreach and technical assistance to agricultural fairs to identify opportunities to lower electricity costs and enroll agricultural fairs in existing programs offered by the trust as appropriate. The program also provides custom financial incentives to agricultural fairs to implement electric efficiency and conservation measures, including but