

MAINE STATE LEGISLATURE

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This was fun too because every time I turned around, Mr. Brooks was peeking over my shoulder to see how fast I was ringing the register. We joked a lot, we kidded a lot, and a lot of the employees were very resentful of the Management Planning Program because it held us to a higher standard than any other industry around. But it was for our good and it was for the company's good that this program has preserved, made Hannaford Brothers one of the leading retailers in the grocery industry in the world and a lot of that is attributed directly to the leadership and the perseverance of Richard Brooks. I do want to congratulate him on his retirement, or semiretirement. I have to tell you Richard that I retired last June and it just does not get any better than this. Thank you, Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Bangor, Representative Norton.

Representative **NORTON**: Thank you Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. I too, wish to congratulate Dick at arriving at this momentous moment. Dick Brooks is one of those people whose paths cross with yours, you run into those people all of your life, and you just seem to cross paths. He and I worked at the same time for Columbia Supermarkets and then later after my Uncle Doug came to Bangor and opened his stores, Dick came to work there. So for once I can trump the good Representative who just spoke—I actually knew Dick before she did. So, I really want to send out my congratulations. He is a wonderful person, I always thought of him as being very friendly and very cool headed, and again, welcome him to the ranks of semi-retired.

Subsequently, the Sentiment was **PASSED** and sent for concurrence.

The Chair laid before the House the following item which was **TABLED** earlier in today's session:

HOUSE REPORT - Ought to Pass as Amended by Committee Amendment "A" (H-179) - Committee on **NATURAL RESOURCES** on Bill "An Act To Protect Children from Lead Exposure by Requiring Sufficient Notice of Renovations"

(H.P. 433) (L.D. 555)

Which was **TABLED** by Representative **KOFFMAN** of Bar Harbor pending **ACCEPTANCE** of the Committee Report.

Subsequently, the Unanimous Committee Report was **ACCEPTED**. The Bill was **READ ONCE**. **Committee Amendment "A" (H-179)** was **READ** by the Clerk.

Representative **HINCK** of Portland **PRESENTED House Amendment "A" (H-290)** to **Committee Amendment "A" (H-179)**, which was **READ** by the Clerk and **ADOPTED**.

Committee Amendment "A" (H-179) as Amended by House Amendment "A" (H-290) thereto was **ADOPTED**.

The Bill was assigned for **SECOND READING** Wednesday, May 23, 2007.

The following items were taken up out of order by unanimous consent:

UNFINISHED BUSINESS

The following matters, in the consideration of which the House was engaged at the time of adjournment Thursday, May 17, 2007, had preference in the Orders of the Day and continued with such preference until disposed of as provided by House Rule 502.

SENATE DIVIDED REPORT - Majority (9) Ought to Pass as Amended by Committee Amendment "A" (S-92) - Minority (4) **Ought Not to Pass** - Committee on **LEGAL AND VETERANS**

AFFAIRS on Bill "An Act To Limit the Activities of Political Candidates at Polling Places to Voting"

(S.P. 220) (L.D. 683)

- In Senate, Minority **OUGHT NOT TO PASS** Report **READ** and **ACCEPTED**.

TABLED - May 16, 2007 (Till Later Today) by Representative **PATRICK** of Rumford.

PENDING - Motion of same Representative to **ACCEPT** the Minority **OUGHT NOT TO PASS** Report.

Representative **MOORE** of Standish **REQUESTED** a roll call on the motion to **ACCEPT** the Minority **Ought Not to Pass** Report.

More than one-fifth of the members present expressed a desire for a roll call which was ordered.

The SPEAKER: A roll call has been ordered. The pending question before the House is Acceptance of the Minority Ought Not to Pass Report. All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 73

YEA - Annis, Austin, Babbidge, Barstow, Beaudette, Beaudoin, Beaulieu, Berry, Berube, Blanchard, Bliss, Boland, Brautigam, Browne W, Bryant, Cain, Campbell, Canavan, Carter, Casavant, Cebra, Chase, Clark, Cleary, Connor, Conover, Cotta, Craven, Cray, Crockett, Crosthwaite, Curtis, Dill, Driscoll, Duchesne, Dunn, Eaton, Eberle, Edgecomb, Emery, Faircloth, Farrington, Finch, Finley, Fischer, Fisher, Fitts, Fletcher, Flood, Gerzofsky, Gifford, Gould, Greeley, Grose, Hamper, Hanley S, Harlow, Haskell, Hill, Jackson, Jacobsen, Kaenrath, Koffman, Lansley, Lundeen, MacDonald, Makas, Marean, Marley, Mazurek, McDonough, McFadden, McKane, McLeod, Miller, Mills, Miramant, Muse, Nass, Norton, Patrick, Percy, Perry, Pieh, Pilon, Pingree, Piotti, Plummer, Pratt, Prescott, Priest, Rand, Rector, Richardson D, Richardson W, Rines, Robinson, Rosen, Samson, Savage, Saviello, Schatz, Silsby, Simpson, Sirois, Smith N, Strang Burgess, Sutherland, Sykes, Tardy, Theriault, Thibodeau, Thomas, Tibbetts, Treat, Trinward, Valentino, Vaughan, Wagner, Walcott, Walker, Watson, Weaver, Webster, Weddell, Wheeler, Woodbury, Mr. Speaker.

NAY - Adams, Ayotte, Blanchette, Giles, Hayes, Hinck, Hogan, Joy, Knight, Lewin, Millett, Moore, Peoples, Pinkham.

ABSENT - Burns, Cressey, Duprey, Hotham, Pendleton, Pineau, Richardson E, Tuttle.

Yes, 128; No, 14; Absent, 8; Vacant, 1; Excused, 0.

128 having voted in the affirmative and 14 voted in the negative, 1 vacancy with 8 being absent, and accordingly the Minority **Ought Not to Pass** Report was **ACCEPTED** in concurrence.

HOUSE DIVIDED REPORT - Majority (8) Ought to Pass as Amended by Committee Amendment "A" (H-220) - Minority (5) **Ought Not to Pass** - Committee on **UTILITIES AND ENERGY** on Bill "An Act Regarding the Long-term Contracting Authority of the Public Utilities Commission" (**EMERGENCY**)

(H.P. 224) (L.D. 268)

TABLED - May 16, 2007 (Till Later Today) by Representative **BLISS** of South Portland.

PENDING - Motion of same Representative to **ACCEPT** the Majority **OUGHT TO PASS AS AMENDED** Report.

The SPEAKER: The Chair recognizes the Representative from Winslow, Representative Fletcher.

Representative **FLETCHER**: Thank you Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. I rise in opposition to the acceptance of the Majority Report and would like to explain my reason.

As indicated, the Majority Report would expand the Contracting Authority of the PUC. This expanded Contracting Authority really is not needed because this body has already approved, or close to approval, LD 969, which is a limited-contracting authority, which is founded on a plan that will identify where we do need to contract for electricity generation as well as capacity. I believe that increasing this Authority to contract beyond this point at this time, poses risks to the ratepayers of the State of Maine and I want to give you a little bit of history.

We only need to look back in the 1980's when there was a piece of legislation called PURPA, which stood for Public Utilities Regulatory Policies Act, which was well intended but essentially what it did, it allowed contracts to be written and accepted based on a voided cost in the future. That particular piece of legislation has cost the Maine ratepayers nearly \$5 billion in added costs, which we are still paying off to this day on our electric bills. LD 268, while limited, still has the potential of replicating that PURPA experience. Maine ratepayers are already spending \$500 million more per year for the same amount of electricity as we did in 2002. Now that is not caused by LD 268, but it is caused by our dependency on fossil fuel and a decision to say that we want to be using natural gas. I do not think that it is responsible to put our Maine ratepayers at risk unnecessarily, by expanding Contracting Authority before we have a plan and rational approach to make sure we are contracting at the right amount, at the right price.

I would also ask that what we really need to be looking at is to make sure that as we take this next step into contracting, it is based on a plan that has received legislative oversight. I understand the PUC has authority, but I just feel very uncomfortable allowing them to proceed in a manner that does not give strict boundaries, as well as some sense of where we are going with this Contracting Authority. I do not feel that we can afford a risk that we do not have to take, because we are finally beginning to climb our way out of a fossil fuel hole, and I just think that we need to be a little bit more cautious. I understand the intent, but I would respectfully suggest that this is not the time to expand that authority. Mr. Speaker, when the vote is taken I would request the yeas and nays. Thank you very much, Ladies and Gentlemen.

Representative FLETCHER of Winslow **REQUESTED** a roll call on the motion to **ACCEPT** the Majority **Ought to Pass as Amended** Report.

More than one-fifth of the members present expressed a desire for a roll call which was ordered.

The SPEAKER: The Chair recognizes the Representative from South Portland, Representative Bliss.

Representative **BLISS**: Thank you Mr. Speaker. Mr. Speaker, Men and Women of the House. In the 1990's, before any current members of the Utilities and Energy Committee were on the Utilities and Energy Committee, we undertook a huge plan to change the way electricity is brought into your homes. We separated the production of electricity from the delivery of electricity, and we required those energy suppliers in this state to divest themselves of the energy production and limit themselves only to T and D service, transmission and delivery service. We assumed when we did that, that it would foster huge competition, rushing into the state to bid for our electricity needs and lower our costs, but we were afraid that that would not happen overnight. So, in our wisdom, we allowed the Public Utilities Commission six months of providing low cost electricity to ratepayers. We called that the Standard Offer. We gave them the authority to create the best deal they could for ratepayers, for that six-month period until this huge competition came in and lowered our rates. The competition never came, as you very well know, and Legislature

after Legislature has extended the authority of the Public Utilities Commission to continue offering the Standard Offer.

Today, more than 95 percent of all of you and all of Mainers use the standard offer for your residential electricity option. Our charge to the Public Utilities Commission is to negotiate the best rate they can for Maine's ratepayers. They negotiate over a three-year cycle, but they only negotiate one third each year in an effort to keep the rates relatively level. I would like to ensure, I suspect you would all like to ensure, that they have all of the tools they can possibly have when they negotiate those low rates. It is the job of the Utilities and Energy Committee, to ensure that the Public Utilities Commission has the tricks in their bag of tricks that they need, to negotiate low rates for ratepayers in Maine, because 95 percent of us are still using that standard offer. I believe that this is an important trick in the bag of tricks, an important tool, and important arrow in the quiver of the PUC, whatever you choose to call it. Does it mean that the PUC is going to rush out tomorrow and engage in these long-term contracts? Of course not. Does it mean that the PUC will use this as their primary weapon? Of course not. But I suspect that you, like I, want them to have as many resources as possible when they do that negotiating on your behalf and mine, in these times of ever-increasing natural gas costs and therefore ever increasing electricity costs. I urge you to vote for the Majority Ought to Pass Report. Thank you, Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Bangor, Representative Faircloth.

Representative **FAIRCLOTH**: Thank you Mr. Speaker. Mr. Speaker, Men and Women of the House. You know, there are movies about all kinds of crimes, there are movies about sex, there are movies about sex crimes, and there are lots of movies about bears. But you will probably be waiting a long time for the big summer blockbuster starring Angelina Jolie about utilities regulation. It is just not the topic that grabs us, necessarily, and we are sort of like those in the media: We legislators are bubbling with opinions about abortion and sex crimes and bear trapping and Bradgelina, whatever. But how many members, outside the esteemed members of the Utilities Committee, have a strong informed opinion about LD 268, "An Act Regarding the Long-term Contracting Authority of the Public Utilities Commission?" So, where do we look for answers because clear answers matter on this topic. They matter a whole lot.

Maine has high-energy costs. These costs hit the pocketbooks of Maine consumers and they hit us really hard. So, even if we do not have Angelina Jolie to generate the energy, if you will, on this issue, we should be passionate. We should be very passionate about utilities issues because of the real impact on Maine citizens.

You know, a quarter of a century ago, Maine took a bold, smart step, creating the Public Advocate's Office. In doing so, Maine was a cutting edge state, we were really doing innovative policy. Even today, only about half of the states have an office similar to the Public Advocate. But you know, in the legal profession, we are taught never to forget whom an attorney represents. You know the classic situation: A witness is lulled by some friendly sounding, folksy lawyer into saying the wrong thing, in the wrong way, because they forget that that friendly sounding lawyer is working for somebody else. The same thing happens right in this building with lobbyists, most of whom are polite and knowledgeable, articulate, great people. We can get lulled into forgetting who they are paid to represent, and that is why the Public Advocate is so very important. The Public Advocate has a specific statutory mission: represent the interests of the consuming public in utilities matters. When the Public Advocate speaks, the motive is clear and the client is us, the citizens, the

consumers of Maine.

The conclusion of the Public Advocate, regarding LD 268, is specific. LD 268 will give the PUC a tool that it now lacks, to hold down the cost of electric prices. Repeat: LD 268 will provide a tool, long-term contracts, to help hold down the cost of electric prices. Whenever any utilities issue comes before us, it is judicious to consider the Public Advocate's conclusion. Based on the Advocate's detailed knowledge of utilities, we learn that pressing green is a vote to hold down electric rates for your constituents and for Maine businesses. According to the expert, specifically charged by law with advocating for the interests of consumers, pressing red would be a mistake if you care about the pocketbooks of Maine constituents, our people back home. Issues like LD 268 are not as media sexy as many others, but by pressing green, you will have grasped an opportunity to help the pocketbooks of Maine citizens, despite what friendly lobbyists may say to the contrary—and that is great leadership from all of the Democratic members of the Utilities Committee.

The SPEAKER: The Chair recognizes the Representative from Winslow, Representative Fletcher.

Representative **FLETCHER**: Thank you Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. It is not very often that you have the pure excitement of talking a utility matter, so we are just going to maximize our exposure here today, but I will try to be brief.

There is a saying that the best predictor of future performance, is past performance. Let me tell you a little bit about the past performance: We enacted PURPA to have a voided cost, which we are going to save Maine ratepayers money. Well intentioned, right intention, \$5 billion later we figured out, "Well, I guess we did not understand it." Back in the mid 90's, we said, "Let's go to natural gas to generate electricity that is going to be cheap and plentiful, it is the right thing to do." So, we went ahead and we changed to natural gas, to the point where 50 to 60 percent depended on that. We already know about greenhouse gases and know we have to run away from natural gas. That is costing Maine ratepayers \$500 million more a year, well intentioned. We thought that we knew what we were doing. That is another example.

We just heard about restructuring. Restructuring was going to open the market, allow people to have competition, drive down the cost. I know you all do this every time you get your light bill, but look at the cost of electricity, the cost of energy. In 2002, it was \$0.04 a kilowatt. Next March, it is now 8.8, next March it is going to go to 10. Here again, well intentioned. We knew what we were doing. All that I am saying is before we take another leap-off the cliff, let's just do what we have already said that we are going do, and allow the PUC to develop a plan, go after a limited contracting, and really check, do the audit, do we understand as much as what we think we know?

Finally, I would say, how many more times are we going to put the Maine electric ratepayers at risk, for well intentioned, we think we know, so let's just do it. I am a little bit more conservative in my approach, particularly when it is somebody else's money. I would say, let us take the first step before we take the leap, and the first step is a piece of legislation which came out of committee with a unanimous, we did the major substantive rule making. The PUC is going to have a plan, and we are going to be able to see if we do know as much as what we think we know. I am uncomfortable putting the Maine ratepayer at risk, again, for well intentioned, we thought we knew. But I am not sure that we do know, because so far our track record is not that good. It is not because people are not trying, it is just that this is a very complicated issue, and the PUC as has been said, is already doing contracting. But do we want to give

them the authority to go ahead and do long term energy contracts that could turn out to be the wrong answer at the wrong time?

So, I would ask you to just be a little bit cautious. I think there have been some excellent points brought up, and for the rest of the session we will try not to get into too many of these utility matters, even though I think the speaker from Bangor's comments, I never knew it was at the same level as Angelina Jolie, but now I am a little bit more encouraged. Thank you very much.

The SPEAKER: A roll call has been ordered. The pending question before the House is Acceptance of the Majority Ought to Pass as Amended Report. All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 74

YEA - Adams, Babbidge, Barstow, Beaudette, Beaudoin, Berry, Blanchard, Blanchette, Bliss, Boland, Brautigam, Bryant, Burns, Cain, Campbell, Canavan, Casavant, Cleary, Connor, Conover, Craven, Crockett, Dill, Driscoll, Duchesne, Dunn, Eaton, Eberle, Faircloth, Farrington, Finch, Fischer, Fisher, Gerzofsky, Grose, Hanley S, Harlow, Haskell, Hayes, Hill, Hinck, Hogan, Jackson, Koffman, Lundeen, MacDonald, Makas, Marley, Mazurek, Miller, Mills, Miramant, Norton, Patrick, Peoples, Percy, Perry, Pieh, Pilon, Pingree, Piotti, Pratt, Priest, Rand, Rines, Samson, Schatz, Silsby, Simpson, Sirois, Smith N, Sutherland, Theriault, Treat, Trinward, Valentino, Wagner, Walcott, Watson, Webster, Weddell, Wheeler, Mr. Speaker.

NAY - Annis, Austin, Ayotte, Beaulieu, Berube, Browne W, Carter, Cebra, Chase, Clark, Cotta, Cray, Crosthwaite, Curtis, Edgecomb, Emery, Finley, Fitts, Fletcher, Flood, Gifford, Giles, Gould, Greeley, Hamper, Jacobsen, Joy, Knight, Lansley, Lewin, Marean, McDonough, McFadden, McKane, McLeod, Millett, Moore, Muse, Nass, Pinkham, Plummer, Prescott, Rector, Richardson D, Richardson W, Robinson, Rosen, Savage, Saviello, Strang Burgess, Sykes, Tardy, Thomas, Tibbetts, Vaughan, Walker, Weaver, Woodbury.

ABSENT - Cressey, Duprey, Hotham, Kaenrath, Pendleton, Pineau, Richardson E, Thibodeau, Tuttle.

Yes, 83; No, 58; Absent, 9; Vacant, 1; Excused, 0.

83 having voted in the affirmative and 58 voted in the negative, 1 vacancy with 9 being absent, and accordingly the Majority **Ought to Pass as Amended Report was ACCEPTED.**

The Bill was **READ ONCE. Committee Amendment "A" (H-220) was READ** by the Clerk and **ADOPTED.** The Bill was assigned for **SECOND READING** Wednesday, May 23, 2007.

Bill "An Act To Exempt Housing Owned by Nonprofit Organizations for People with Disabilities from the Municipal Service Fee Laws"

(H.P. 1157) (L.D. 1648)

- In House, Majority (7) **OUGHT NOT TO PASS** Report of the Committee on **TAXATION READ** and **ACCEPTED** on May 3, 2007.

- In Senate, Minority (6) **OUGHT TO PASS AS AMENDED** Report of the Committee on **TAXATION READ** and **ACCEPTED** and the Bill **PASSED TO BE ENGROSSED AS AMENDED BY COMMITTEE AMENDMENT "A" (H-171)** in **NON-CONCURRENCE.**

TABLED - May 17, 2007 (Till Later Today) by Representative PINGREE of North Haven.

PENDING - **FURTHER CONSIDERATION.**

On motion of Representative PIOTTI of Unity, the House voted to **INSIST.**