MAINE STATE LEGISLATURE

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Legislative Record House of Representatives One Hundred and Twenty-Sixth Legislature State of Maine

Daily Edition

First Regular Session

beginning December 5, 2012 beginning at page H-1

COMMUNICATIONS

The Following Communication: (S.C. 450)

MAINE SENATE

126TH LEGISLATURE
OFFICE OF THE SECRETARY

June 6, 2013 Honorable Millicent M. MacFarland Clerk of the House 2 State House Station Augusta, Maine 04333 Dear Clerk MacFarland:

Senate Paper 350, Legislative Document 1025, "An Act To Amend the Law Pertaining to Staff in the Office of the Attorney General," having been returned by the Governor, together with objections to the same, pursuant to Article IV, Part Third, Section 2 of the Constitution of the State of Maine, after reconsideration, the Senate proceeded to vote on the question: "Shall this Bill become a law notwithstanding the objections of the Governor?" 20 voted in favor and 15 against, and accordingly it was the vote of the Senate that the Bill not become a law and the veto was sustained.

Best Regards, S/Darek M. Grant Secretary of the Senate

READ and ORDERED PLACED ON FILE.

The Following Communication: (S.C. 451)

MAINE SENATE 126TH LEGISLATURE OFFICE OF THE SECRETARY

June 6, 2013 Honorable Millicent M. MacFarland Clerk of the House 2 State House Station Augusta, Maine 04333 Dear Clerk MacFarland:

House Paper 974, Legislative Document 1366, "An Act To Require Public Schools To Offer Instruction Related to Cardiopulmonary Resuscitation and the Use of an Automated External Defibrillator," having been returned by the Governor, together with objections to the same, pursuant to Article IV, Part Third, Section 2 of the Constitution of the State of Maine, after reconsideration, the Senate proceeded to vote on the question: "Shall this Bill become a law notwithstanding the objections of the Governor?"

22 voted in favor and 13 against, and accordingly it was the vote of the Senate that the Bill not become a law and the veto was sustained.

Best Regards, S/Darek M. Grant Secretary of the Senate

READ and **ORDERED PLACED ON FILE**.

By unanimous	consent,	all matters	having	been	acted	upon
were ORDERED S	ENT FOR	RTHWITH.				

The Hou	use recessed until 12:00 p.m.	
	(After Recess)	

The House was called to order by the Speaker.

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

An Act To Reduce Energy Costs, Increase Energy Efficiency, Promote Electric System Reliability and Protect the Environment

(H.P. 1128) (L.D. 1559) (H. "A" H-350)

Which was **TABLED** by Representative BERRY of Bowdoinham pending **PASSAGE TO BE ENACTED**. (Roll Call Ordered)

Subsequently, Representative BERRY of Bowdoinham **WITHDREW** his **REQUEST** for a roll call.

The SPEAKER: The Chair recognizes the Representative from Saco, Representative Hobbins.

Representative HOBBINS: Thank you, Mr. Speaker. Mr. Speaker, Men and Women of the House. This is the first time that I have risen during this session as a member of this body to speak on any issue, except for some procedural motions that I have made. In my 24 years as an elected official, legislator, from my districts, both in the House and the Senate, I've had the privilege of working with some very good people. Of all the things I've done, working on this historic omnibus energy bill that is now before us is among the most important. I am privileged to serve as the House Chair of the Energy, Utilities and Technology Committee, not only for the quality of my colleagues who serve alongside me on this committee, as well as for their commitment to working through these hard issues and finding a path forward to lower Maine's energy costs. I owe a debt of gratitude to everyone who worked on this bill and with me on this bill, including my Co-Chair, the Senator from Androscoggin, Senator Cleveland, my committee members. Democrats Republicans, for the hard and dedicated work of the team of my two leads on the committee, Representative Dunphy and Senator Youngblood, as well as the principal sponsor of this bill, along with myself and Senator Cleveland. For the first time in 38 years, this Legislature allowed three individuals to be the principal sponsors, and I am very grateful for the hard and dedicated work and leadership that the House Minority Leader, Representative Fredette, has shown. I also want to thank the Chief Executive for his role in shaping the bill, both personally as well as through his capable staff.

At the beginning of the session, all of you heard from the Chief Executive, as I did, that the Chief Executive challenged the Legislature to do something to cut the costs of energy. We took that challenge at heart in our committee by crafting this particular bill. Not only did we incorporate the core of his energy bill, LD 1425, into the bill that is presently before you, but we also combined his ideas with those of at least nine other bills that came together in this omnibus bill. I want to thank the stakeholders and members of the public who worked with us to craft this legislation from broad ranges of the political spectrum. We held many public hearings on the concepts of these bills. We held work sessions on the concepts of the bills, and during the session, we were able to put those all together in the product that is before you. This bill is a broadly endorsed bipartisan compromise reported out of our committee virtually unanimously, the report was 12-1, with the one lone, dissenting colleague who was very constructive during the process and really played an important role in developing many parts which he liked. So to my colleague, the Representative from Waterboro, thank you very much. Representative Libby, you didn't join us, but you did it for the right reasons on philosophical grounds by not joining us. As a result, we have a bill in which every member of this body should be proud, both for what it will do for the people of Maine, for our roles in crafting this package of measures that will substantially lower the cost of energy to Maine families and businesses. This bill represents an unprecedented bipartisan solution to one of Maine's most pressing issues, the cost of energy. It will do great things to reduce the costs we all pay to power our homes and heat them, and our businesses that do business in the State of Maine.

Maine's energy costs are well above the national average. As the Director of the Chief Executive's Energy Office testified to our committee, while 61 percent of the nation's population has technical access to natural gas, in Maine, only 5 percent of homes use natural gas as its primary heating fuel. On the flipside, almost 70 percent of us heat our homes primarily with oil, while the national average is only 6 percent. These facts have consequences. On average, Maine's families pay over \$3,300 every year just to stay warm, while the national average is just above \$2,000. We have the highest natural gas prices and the 12 highest electricity prices and consume twice as much oil per person than any other state in the continental United States. We all know about the economic challenges and spreading poverty, how it inflicts this State of Maine and each of us tries to do something to turn that tide. But it is only by working together, as we have done in crafting this bill, that we can have a truly transformative effect on the wellbeing of the people of the state.

In all of my 24 years here in Augusta, this is among the most important things we have considered doing to make Maine a better place to work and live. Never before in the 100-year history of the Maine Public Utilities Commission has there been a requirement to help reduce in this bill the cost of electricity and fuels available to Maine consumers. This bill amends the Commission's basic charter to place minimizing the cost of energy available to Maine consumers on an equal footing with its other regulatory priorities. This bill also recognizes the foundation upon which it rests. For example, our Public Utilities Commission has allowed a natural gas utility to offer customers incentives and assistance in converting from expensive fuel sources to clean, efficient natural gas to reduce the carbon footprint, among other things, for heating their homes and businesses, and to use their rates as a tool to drive the modernization and the transformation of our heating systems. This bill helps families and businesses in Maine to cut their energy costs through improved energy efficiency. The least expensive kilowatt hour or gallon of oil is the one that we don't consume because we have improved our efficiency. The bill before you reduces energy costs and improves security in the State of Maine in our local economics by pursuing all costeffective energy efficiency for Maine homes and businesses, including conservation in both electricity, heating fuel consumption and other mechanisms. It also directs the Regional Greenhouse Gas Initiative proceeds to lower commercial and industrial energy costs, reduce residential heating energy demands in a fuel-neutral way to provide rate relief, and give the Public Utilities Commission improved tools for overseeing the efficiency programs that exist under the Efficiency Maine program. The bill also opens the door to \$200 million in annual savings in the form of a reduced or eliminated basis differential for natural gas. As the result of the inadequacies of the existing natural gas pipeline system, Maine electric and natural gas repairs take \$200 million extra every year for our electricity and natural gas. Unless we act now, we will continue to pay these terrible tolls, year after year, but it doesn't have to be that way.

As we have heard, in response to this bill, pipeline companies have already come up to Maine to say that if we enact this bill, they would be eager to begin working on the solution to bring

pipeline capacity to New England. When that happens, all electric and natural gas ratepayers will share in the savings and no one will pay, unless they also benefit. The bill protects ratepayers from cost increases resulting from energy cost reduction contracts and creates, importantly, the Energy Cost Reduction Trust Fund, to hold energy cost reduction contract revenues to be held in trust for the purpose of reducing Maine consumers' energy costs. All of us feel the impact of increasing energy costs. Too often, we were told that Maine is just a small state in one corner of the country and that there is nothing that we, men and women in the Legislature, can do to reverse that tie. As a result of the hard work of so many of us who have put this bill before you, from my colleagues on the Energy, Utilities and Technology Committee to the Chief Executive, his staff, the Public Utilities Commission, the stakeholder groups, some of the finest legal minds within the environmental community, and now we have an opportunity to prove those individuals who say that we should be forgotten in the corner of this country wrong. By enacting this bill today, we will cut energy costs from Maine's families and businesses and start to undo the decades of inequity that have left the people of Maine worse off than those in states to our south and to our west. I urge you to join with me in a bipartisan way to make history today. Thank you.

The SPEAKER: The Chair recognizes the Representative from Litchfield, Representative Newendyke.

Representative **NEWENDYKE**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. I rise today to speak to an issue of great importance to me and the people of the State of Maine. I speak in favor of enacting a comprehensive measure that will cut the cost of energy for all people and businesses in Maine. I have been privileged this session to serve on the Joint Standing Committee on Energy, Utilities and Technology. I am impressed by the quality of the committee members as well as that of those who appear before it. The proof is what is in this bill, the nearly unanimous support it received from our committee and the overwhelming support that it has gathered from the Maine business community. Those of us on the committee took the Chief Executive's charge to cut energy costs seriously. We crafted this bill out of the best features of the bills that came before us this session. As a result, the bill contains unprecedented measures to cut Maine's energy costs. I have received many calls and emails urging me to support this bill, as I know many of you have. This outpouring of support is compelling. We must be responsive to our constituents. If we enact this bill, for the first time in Maine's history we will make minimizing the cost of energy available to Maine's consumers a part of the basic purposes of our Public Utilities Commission. It will also require the Commission to use economic efficiency as a principle in setting rates. We will promote the non-transmission alternatives to forestall the expansion of hugely expensive electric transmission lines. We will facilitate the development of natural gas pipeline infrastructure that can alleviate an extra \$200 million of Maine electricity to Maine's electricity and natural gas customers that they pay each year, due to the fact of adequate pipeline infrastructure. We will give families and businesses enhanced tools to improve the energy efficiency of their homes and workplaces. I therefore urge you to join me in supporting this energy bill. Thank you very much, Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Freeport, Representative Gideon.

Representative **GIDEON**: Thank you, Mr. Speaker. Mr. Speaker, Women and Men of the House. I rise before you today in support of this legislation. Some of us have been in this chamber for decades, like my good Chair, the Representative from Saco, others have been in this chamber for years and still

some of us have only been here for months. But I think something we've all learned is that it is easier to do nothing, it is easier to oppose something and that is exactly the opposite of what happened in the Energy room outside of these windows. We could spend many hours talking about everything that is in this bill. Let's not do this. Instead, let's understand what we really need to know here. The best way to save on energy costs is simply to use less energy. Maine has been falling behind other states in terms of how much we are saving on energy efficiency. This bill changes that. This bill provides \$365 million of additional savings through electricity conservation. It tackles head-on the existing bottleneck in the natural gas pipeline, eliminating what is essentially a gas tax by as much as \$150 million a year. It lowers our cap on greenhouse gas emissions by 45 percent, while using the funds generated from that to save homeowners as much as \$15 million in home heating costs per year. Finally, it sends \$30 million of direct electric rate relief to our businesses and into our That's quite an agenda. In the truest form of bipartisanship, this bill takes the politics out of energy policy. It ensures that Maine's investment in energy efficiency is based on facts, on the economics of saving ratepayers as much money as This bill reflects our highest energy priorities as Democrats and Republicans. It increases our investment in the cleanest and lowest-cost energy source available, it lowers our overall carbon footprint for Maine, and it positions us economically for the future while lowering our energy costs now. I'll bet we can all agree that the good people of Maine need many things from us right now. Let's show them at least this one, that their legislators worked together to create real results that benefit Maine people and Maine businesses. Thank you.

The SPEAKER: The Chair recognizes the Representative from Embden, Representative Dunphy.

Representative **DUNPHY**: Thank you, Mr. Speaker. I'm not going to bore you with a whole bunch of details because this is an incredibly technical report and a very complex bill, but I would like to tell you that it was a 12-1 report. It truly was bipartisan. It incorporates parts of 12 bills. It does work to address the high cost of electricity, which in turn benefits industry in Maine as well as Maine residents and promotes jobs. It addresses potential market failures. It encourages a catalyst for private and public partnerships. It benefits Efficiency Maine Trust. It controls systems benefit charge for a couple of years at least and probably much longer than that. It provides \$26 million to lower electric rates. It has the potential to reduce transmission costs and certainly heating costs in the State of Maine. It supports the University of Maine and their involvement with offshore wind development. Is it a perfect bill? Absolutely not. I don't think anything we do in here is perfect, but it certainly is a step in the right direction. It's good for Maine, it's good for Maine's business, it's good for Maine's consumers and it's good for Maine residents, so I ask you to please follow me in supporting 1559. Thank you, Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from South Berwick, Representative Beavers.

Representative **BEAVERS**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. I, too, support this bill and since everybody has pretty much summarized, I won't add any additional details. I just want to thank all the people who submitted the fine bills from which we created this omnibus bill, and I want to thank all the stakeholders, who are quite often on opposite sides of the issue, who came together. We saw various miracles happen in this committee and I am very appreciative of how well we all worked together. Please support this bill. Thank you.

The SPEAKER: The Chair recognizes the Representative from Newport, Representative Fredette.

Representative FREDETTE: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. I'll be brief. I first want to thank the Speaker who, initially when he became the Speaker of the House, indicated energy was an important issue that needed to be addressed this session, and he allowed the committee to do its work that it needed to do which took a lot of time and a lot of depth. He allowed the committee to do that, so I am grateful to the Speaker for him allowing the committee to do that. I am also grateful to the two Co-Chairs and two Republican leads who spent many hours, nights and even weekends on this. I am also grateful to the other members of the committee who worked through very thick information and detail to try to come up with a bill that was a 12-1 Committee Report, something that was very, very difficult to do. But I want to just tell you a really quick story and then I will sit down. This began in a way, over a year ago, when I thought it would be interesting to do an energy bill and I thought that would be something that would be easy to do. So I eventually got in contact with the Chairman of the Public Utilities Commission, Tom Welch, and he lives up north and so one Friday afternoon he stopped in Newport and at the Irving gas station over supper, we talked about energy. He looked at me and he said, "Are you sure you really want to do this?" and I said, "Sure, why not?" From there, which was well over a year ago, we spent some time working in an informal group through the summer and through the fall on different pieces of an important energy package, and there were many people involved in that including members from the Executive Branch, interested parties, and it was a terrific experience. Then that flowed into what was ultimately created from this bill. I will finish simply by saying it's no small achievement to amend essentially a charter of the Public Utilities Commission to say that it ought to seek to reduce electric costs in the State of Maine. Amending a charter, first That's a big deal. time in 100 years. Also, looking at conservation, looking at efficiency, we will reduce energy costs and we will make Maine and New England competitive nationally so we cannot only bring businesses to Maine but save those big industrial businesses that are already here and who are threatened by high energy costs. That's a big deal. I am very grateful, Mr. Speaker, to all the people that have been involved in this and I would ask that you follow my light in supporting the motion. Thank you, Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Kittery, Representative Rykerson.

Representative **RYKERSON**: Thank you, Mr. Speaker. Mr. Speaker, Men and Women of the House. We've been talking about the metrics of this bill. This bill did take a lot of energy. It took a lot of coffee. But I would like to mention that it's more than just how much energy costs. I would like to talk about some other metrics this bill does address, which is the health of our citizens through clean air, the health of our climate, the lessoning of our dependence on foreign oil. So I am happy to have worked on this bill. Thank you, Mr. Speaker.

This being an emergency measure, a two-thirds vote of all the members elected to the House being necessary, a total was taken. 131 voted in favor of the same and 7 against, and accordingly the Bill was **PASSED TO BE ENACTED**, signed by the Speaker and sent to the Senate.

The following item was taken up out of order by unanimous consent:

UNFINISHED BUSINESS

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

HOUSE DIVIDED REPORT - Majority (10) Ought to Pass as Amended by Committee Amendment "A" (H-339) - Minority (2) Ought Not to Pass - Committee on AGRICULTURE, CONSERVATION AND FORESTRY on Bill "An Act To Clarify the Laws Establishing the Department of Agriculture, Conservation and Forestry" (EMERGENCY)

(H.P. 588) (L.D. 837)

TABLED - June 6, 2013 (Till Later Today) by Representative DILL of Old Town.

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

The SPEAKER: The Chair recognizes the Representative from Old Town, Representative Dill.

Representative DILL: Thank you, Mr. Speaker. This bill was really started first last year, last session, in the 125th, and at that time the bill was passed that joined Agriculture, Conservation and Forestry into one department, and they were allowed to end up with one commissioner, do some high-level administration combinations and to create a budget. The bill also, last year, stated that this year, in the 126th, we would have the authority to put forward a bill to put the whole organizational format and form into play if we so desired. We had until December 2014 to do this. LD 837, which is on the floor in front of us, was that bill that came forward and the committee worked this bill for many, many different afternoons. The bill finally came out with a 10-2, Ought to Pass, and there was a lot of input into it from various and sundry folks. Initially, we received an organizational chart, if you would, from the Department, and then, after that chart was received, the next work session we received another organizational chart from a group calling themselves the Natural Resource Network, which was made up mostly of agricultural and forestry folks. Then we received another organizational chart from another group of a couple of groups from the conservation side of things. There were some conservation groups that were also opposed to the merger. We took, during work sessions, we took all of these organizational charts, put them together, worked the bill, worked the mission and I want to give credit to the good Representative from Winthrop, who spent almost one whole work session working with the committee on putting together the mission statement and the guiding principles, changing those so that it hopefully better reflected small agriculture and also some conservation aspects. The bill also took the commissioner's position and created that so that that person must be knowledgeable basically in all three areas - conservation, agriculture and forestry. They could be highly skilled in one area but must know and have some experience in the other two, so that leaves it to any one of those three folks, either an agricultural person or forestry or conservation person could be the commissioner of this new Department. Now, we also had a long discussion over what is called the "die cap," the overhead in the Department. We did freeze that for three years at the current rates and are waiting to hear from the feds to see what the new level is, and there has been concern over spending of that money, so I would put that right up front.

Some concerns about the new Department is that conservation may take a backseat in the new Department and the concern was especially around the mission statement and this type of thing, and I believe really our new mission statement does address these things. It says it supports the works of the citizens that derive their livelihood from agriculture, conversation and forest interests, and those who enjoy parks and

conservation, lands, through education, research, regulation and etcetera. It promotes and protects public health, the wellbeing of domestic animals wide land usage, preservation of the state's key conservation assets. Also, the guiding principles go on to say that the state's rural jobs in natural resources are, at the same time, a rich heritage to be carefully passed to successive generations in an evolving economic engine, driving recreation, food and fiber components of the state's workplace, strengthening the Maine's forest, conservation, recreation, etcetera, and public access to the state's natural resources is vital to enhancing the state's natural resources economy. Then finally, the state's land and water are common denominators for fresh locally grown food, processed food, etcetera, again bringing into the play in the Department how important agriculture and especially small agriculture is. I would stop there and I know there is going to be further discussion and that's kind of where this bill stands at the moment. Thank you.

The SPEAKER: The Chair recognizes the Representative from Woolwich, Representative Kent.

Representative **KENT**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House. As my Chair and friend and colleague, the Representative from Old Town, said, this bill had its origins in the last Legislature. He and I, there were a handful of us who were there at the time. I think maybe seven new committee members sit on the committee now. The bill came to us from the second floor. It came as bill 1030 at the time. At the public hearing - by the way, I'm standing against this motion, in case I didn't say that at first. I do not support this motion. At the public hearing, the second floor did not have anything to recommend this bill other than so-called synergies. It didn't address any problems, it didn't answer any complaints and it didn't save any money. In fact, it has a fiscal note of \$50,000 a year, not a big one, for the next three years. But synergies are what they said it would create and they didn't happen to have any at the time. They came 10 months later. The farmers and the public who are conservationists did not support it. Both vocalized similar complaints, that they were afraid of losing their voice. The farmers were afraid that if it wasn't run by someone from Agriculture, they would lose their voice. Conservation is the same. If somebody was running it who wasn't a conservationist, that they would lose their voice. The special interests who sat in the room straddled the fence. They wanted to see how it would unfold. Because, see with this bill, it came with nothing, with no structure. It was just a merger of these two departments. It went through committee without much conversation, as many bills did last session, and it came to the floor of the House. This bill would not have passed because it would not have gotten the majority of the votes in the House. There were that many people who were suspect of a merger that had nothing to recommend it. It was salvaged on the floor by a last-minute amendment, LD 837, which basically began the merger but put the actual enactment of it on to the shoulders of this Legislature, and it sunsetted it, as the Representative from Old Town said, at the end of 2014, which is pretty far down the road. But now we are here in this session and it's before us as the amended version, LD 837, and in the past year, ladies and gentlemen, I was a cosponsor of this original bill, 1083. I cosponsored it. I, like many people, did not know what its body was, but in this last year as it's unfolded and because it was held over, because it did not have a majority to pass and be enacted last year, we have yet an opportunity to see and fair it out what the thinking was and is behind this bill.

This bill, of this proposed new Department, as it has unfolded, its focus is agriculture and its core, it is about absorbing the Department of Conservation, boosting agricultural programs and shifting the focus of programs in the merged department away