

MAINE STATE LEGISLATURE

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One Hundred and Twenty-Ninth Legislature
State of Maine

Daily Edition

First Regular Session
beginning December 5, 2018

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Signed:
Representative:
JOHANSEN of Monticello

Came from the Senate with the Majority **OUGHT TO PASS AS AMENDED** Report **READ** and **ACCEPTED** and the Bill **PASSED TO BE ENGROSSED AS AMENDED BY COMMITTEE AMENDMENT "A" (S-305)**.

READ.

On motion of Representative WARREN of Hallowell, the Majority **Ought to Pass as Amended** Report was **ACCEPTED**.

The Bill was **READ ONCE**. **Committee Amendment "A" (S-305)** was **READ** by the Clerk and **ADOPTED**.

Under suspension of the rules the Bill was given its **SECOND READING WITHOUT REFERENCE** to the Committee on **Bills in the Second Reading**.

Under further suspension of the rules the Bill was **PASSED TO BE ENGROSSED as Amended by Committee Amendment "A" (S-305)** in concurrence.

Majority Report of the Committee on **ENERGY, UTILITIES AND TECHNOLOGY** reporting **Ought to Pass as Amended by Committee Amendment "A" (S-307)** on Bill "An Act To Reform Maine's Renewable Portfolio Standard" (S.P. 457) (L.D. 1494)

Signed:
Senators:
LAWRENCE of York
MIRAMANT of Knox
WOODSOME of York

Representatives:
BERRY of Bowdoinham
CAIAZZO of Scarborough
DOUDERA of Camden
FOSTER of Dexter
GROHOSKI of Ellsworth
KESSLER of South Portland
RILEY of Jay
RYKERSON of Kittery

Minority Report of the same Committee reporting **Ought Not to Pass** on same Bill.

Signed:
Representative:
HANLEY of Pittston

Came from the Senate with the Majority **OUGHT TO PASS AS AMENDED** Report **READ** and **ACCEPTED** and the Bill **PASSED TO BE ENGROSSED AS AMENDED BY COMMITTEE AMENDMENT "A" (S-307)**.

READ.

Representative BERRY of Bowdoinham moved that the House **ACCEPT** the Majority **Ought to Pass as Amended** Report.

Representative HANLEY of Pittston **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 Pittston, Representative Hanley.

Representative **HANLEY**: Thank you, Madam Speaker, Ladies and Gentlemen of the House. When we sit down around the table for a meal, what do we talk about? Or when we put our heads down on the pillow, do we say honey, what do you think about the new RPS rules? Or would it be more like did you see last month's light bill? Well, they're both tied together. If you change the rules, you change the rates. And this bill will do that.

So, I'm going to read from the PUC's report to the committee, March 31 of 2018, and it says because existing requirements and mechanisms of the region appear to be providing sufficient incentives for the continued operation and development of renewable resources sufficient to meet Maine's portfolio requirement, the commission at this time makes no recommendations regarding mechanisms to stimulate investment in renewable resources beyond those that already exist in the State, regional and federal levels. In conclusion, during 2016, Maine's electricity supplies complied with Maine's class 1 and 2 portfolio requirements and it cost the ratepayers a total of \$21,743,000 in that one year.

Less than a year after that report said nothing had to be done, this bill gets introduced. Maine is the cleanest state in the nation. 75% of all electricity generated in the State of Maine is done through renewable energy; 75%. What we are about to do with this rewriting of existing rules is to impose an incredibly huge increase on the cost of electricity for all the ratepayers. Let me read a few numbers. This bill, by the way, incrementally ratchets up these costs and fees, and 11 years from now, in 2030, the average homeowner, by the way, only 24 hours ago this body saw a piece of legislation that increased by a measly \$4 a month the rates on homeowners, by the year 2030, we will add another \$8 a month to average homeowner's light bill. To the small commercial or industrial operation, that might be a mom and pop store, a gas station, whatever, a barber shop, who knows, you will add \$2,419 a year to their rates. To a medium-size operation, that might be a machine shop, a greenhouse, who knows, all kind of other different, you know, auto repair business, well, no, I'm sorry, that wouldn't probably fall into that, but a machine shop, certainly. This could add \$207,000 to the yearly electrical rates. Think about that.

This is an incredible bill. It is going to put a huge burden on small and medium businesses in the State of Maine. I ask you to follow my light and defeat this measure and allow the rules to remain as they are, they are doing the job. Thank you very much.

The **SPEAKER**: The Chair recognizes the Representative from Dexter, Representative Foster.

Representative **FOSTER**: Thank you, Madam Speaker, Ladies and Gentlemen of the House. Having been here just a short time, I'm learning quite a bit about what I don't know and what I am not able to learn as time goes by. My past life, I often tried to make sure I knew everything about everything that I had to deal with. And quite often I got paid to do that. Here, I find, and I'm sure many of you do, that as bills go by, it's very difficult, especially with complex ones, to know everything there is to know. And I would invite any of you, when you get home tonight, no matter the result of this action here today, to take this bill out and look at this complicated bill and when you come back tomorrow, please explain it to me.

In committee, I voted yes on this bill out of committee because industries and workers in my area and constituents would benefit, those in the woods industry, those working in biomass, so on and so forth. I also voted for it because the largest employers and largest electricity users in the State of

Maine through changes made to this bill such as my former employer, such as very large users in the southern part of the State, have the opportunity to opt out of the program. Why? Because it was going to be so expensive for them to stay in it, because the language of this bill. They met with the Chief Executive's energy office and they negotiated the opportunity to opt out of the bill. However, small and medium businesses and employers do not have that capability, and neither do homeowners, our most vulnerable electric ratepayers.

Since this bill came out of committee, I've had the chance to further digest the language. I found the subsidies that would be realized by those constituents of mine that I thought would benefit by some of the employers in the woods business and so on and so forth, the amount of money they would realize in subsidies because of this bill is a very small percentage of the total subsidies that would be required to be paid by the ratepayers. Renewable energy sources that are also affected by this bill, and some of them were listed in a handout that you received yesterday, are under contract for subsidized rates, those contracts will continue, they will still receive those rates. So, they are not negatively or positively, necessarily, affected by this bill or by my vote.

When I consider the totality of the cost we've already added to the ratepayers with previous legislation this season, I cannot support adding much more by supporting this bill and I've changed my mind. Each of us who represent ratepayers, especially those using large amounts of electricity for their business who employ constituents of ours, should consider this issue carefully. Thank you, Madam Speaker.

The SPEAKER: The Chair recognizes the Representative from Winter Harbor, Representative Faulkingham.

Representative **FAULKINGHAM**: Thank you, Madam Speaker. I would like to pose a question to the Chair.

The SPEAKER: The Representative may proceed.

Representative **FAULKINGHAM**: The Representative from Pittston said that this could cost small businesses such as gas stations, restaurant or pubs, or mom and pop shops \$2,419 annually. I'd like to know who estimated that cost and where that number came from.

The SPEAKER: The Representative from Winter Harbor has posed a question through the Chair and the Representative from Pittston is recognized.

Representative **HANLEY**: Thank you, Madam Speaker. Yes, the Public Utilities Commission on June 4th of this year issued this document I'm holding in my hand and you can, I'm sure, obtain this on their website and it lists quite clearly the effects of all the components in this legislation on the average residential, commercial industrial, and they label it large commercial industrial but it actually is not, they're exempt, but you can get this table and it is from the PUC. And, a caution, it is an estimate, but it still is a valid tool to make a decision. I hope that answers your question.

The SPEAKER: The Chair recognizes the Representative from Bowdoinham, Representative Berry.

Representative **BERRY**: Thank you, Madam Speaker. Madam Speaker and Men and Women of the House, I rise in support of the pending motion.

LD 1494 would update Maine's renewable portfolio standard, which has capped out at 40% as of this past year. There appears to be some confusion about the difference between the amount that we generate here in Maine in our electricity mix and the amount that we consume. Some of the renewable energy that is generated here and provides economic development, jobs, property tax benefits, that serves

load in other parts of the New England grid. The part that we procure for ourselves is 40% renewable, 30% of that is class 2 older renewables such as hydro, existing hydro, and 10% is new renewables as of 2007 or so, the date in which we last updated the renewable portfolio standard.

So, LD 1494 would move us from that 40% figure to 80% of our electricity purchased for Maine consumers by 2030 being renewables. And at that time, 50% of the 100% would be new renewables as of 2007, adding a class 1A, which is new going forward as of now, and the remaining 30% would be the same class 2 that we have today.

Moving forward with LD 1494 will provide stable and predictable pricing by initiating a competitive bid process to put a set percentage of our electricity under 20-year contracts. This is important from a cost perspective because it allows us to hedge against the very volatile prices of fossil fuels which, as we discussed yesterday, set the clearing price in the New England markets and essentially the price of all our electricity on the generation side. The cost-benefit analyses that have been referred to, Madam Speaker, from the Public Utilities Commission look only at the costs. So, in truth, they are not cost-benefit analyses at all, by failing to factor in or even try to estimate any of the benefits, they really don't do us a service with respect to our decision on this bill.

The bill before us, originally an 11-1 report, is the product of a great deal of work and compromise on the part of the committee. It includes a new kind of renewable energy credit called T-REX, not to be confused with the dinosaur, but which would greatly help Maine's loggers and biomass industry. The bill is supported by the Associated General Contractors of Maine, by the Maine State Chamber of Commerce, by the Nature Conservancy, by the Natural Resources Council of Maine, Maine Conservation Voters, Maine Renewable Energy Association and the Professional Logging Contractors of Maine, among others.

For the environment, the bill would provide for significant reductions in greenhouse gasses, decreasing hundreds of thousands of pounds of nitrogen oxides, sulfur dioxide and their particulates. The bill will create hundreds of new jobs. It will provide for hundreds of millions of dollars in new investments in clean energy built in Maine by Mainers and for Maine consumers. And it will provide tens of millions of dollars in new taxable value for host communities. To protect consumers, it requires a competitive bid process to ensure the lowest prices possible. It creates an opt-out of both the benefits and the cost for large industrial consumers, and it builds in checks and balances and guardrails along the way, allowing the PUC to suspend the increase in the RPS, if necessary.

Madam Speaker, I hope we can all agree that our future is linked with the carbon emissions of our own consumption here, of our New England grid and of our globe. Maine's motto, Dirigo, says that we lead. And with this bill today we can lead on renewable energy. I believe it's time to do so. Madam Speaker, I hope that you'll vote with me in favor of the pending motion. Thank you.

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. 293

YEA - Ackley, Austin B, Babbidge, Babine, Bailey, Beebe-Center, Berry, Blume, Brennan, Bryant, Caiazzo, Cardone, Carney, Cloutier, Collings, Cooper, Corey, Craven, Crockett, Cuddy, Daughtry, Denk, Dodge, Doore, Doudera,

Dunphy, Evangelos, Farnsworth, Fay, Fecteau R, Foley, Gattine, Gramlich, Grohoski, Handy, Harnett, Hepler, Hickman, Higgins, Hobbs, Hubbell, Hymanson, Ingwersen, Jorgensen, Kessler, Kinney, Kornfield, Landry, Madigan C, Martin J, Martin R, Mastraccio, Matlack, Maxmin, McCrea, McCreight, McDonald, McLean, Melaragno, Meyer, Moonen, Morales, Moriarty, Nadeau, O'Neil, Paulhus, Pebworth, Peoples, Perry A, Perry J, Pierce T, Pluecker, Reckitt, Riley, Riseman, Roberts-Lovell, Rykerson, Schneck, Sharpe, Sheats, Stanley, Sylvester, Talbot Ross, Tepler, Terry, Tipping, Tucker, Tuell, Verow, Warren, White B, Zeigler, Madam Speaker.

NAY - Andrews, Arata, Austin S, Bickford, Blier, Bradstreet, Campbell, Costain, Curtis, Dillingham, Dolloff, Drinkwater, Faulkingham, Fecteau J, Foster, Griffin, Haggan, Hall, Hanington, Hanley, Harrington, Head, Hutchins, Javner, Keschl, Kryzak, Lockman, Lyford, Marean, Martin T, Mason, Millett, Morris, O'Connor, Ordway, Perkins, Pickett, Prescott, Reed, Rudnicki, Sampson, Stearns, Stetkis, Stewart, Strom, Swallow, Wadsworth, White D.

ABSENT - Alley, Brooks, Cebra, DeVeau, Grignon, Johansen, Skolfield, Stover, Theriault.

Yes, 93; No, 48; Absent, 9; Excused, 1.

93 having voted in the affirmative and 48 voted in the negative, with 9 being absent and 1 excused, and accordingly the Majority **Ought to Pass as Amended** Report was **ACCEPTED**.

The Bill was **READ ONCE**. **Committee Amendment "A" (S-307)** was **READ** by the Clerk and **ADOPTED**.

Under suspension of the rules the Bill was given its **SECOND READING WITHOUT REFERENCE** to the Committee on **Bills in the Second Reading**.

Under further suspension of the rules the Bill was **PASSED TO BE ENGROSSED as Amended by Committee Amendment "A" (S-307)** in concurrence.

By unanimous consent, all matters having been acted upon were **ORDERED SENT FORTHWITH** with the exception of matters being held.

ENACTORS

Emergency Measure

Resolve, To Create the Criminal Records Review Committee

(H.P. 569) (L.D. 764)
(C. "A" H-614)

Reported by the Committee on **Engrossed Bills** as truly and strictly engrossed. This being an emergency measure, a two-thirds vote of all the members elected to the House being necessary, a total was taken. 118 voted in favor of the same and 1 against, and accordingly the Resolve was **FINALLY PASSED**, signed by the Speaker and sent to the Senate.

By unanimous consent, all matters having been acted upon were **ORDERED SENT FORTHWITH** with the exception of matters being held.

Acts

An Act To Ease Financial Burdens for Juveniles Involved in the Justice System

(H.P. 947) (L.D. 1304)
(C. "A" H-616)

An Act To Direct the Department of Education To Amend Its Rules To Ensure That Physical Restraint and Seclusion Policies Are Followed and Make Biennial Reports on the Use of Physical Restraint and Seclusion

(H.P. 997) (L.D. 1376)
(C. "A" H-617)

An Act Providing Labor Unions with Reasonable Access to Current and Newly Hired Public Sector Workers

(H.P. 1063) (L.D. 1451)
(C. "A" H-602)

An Act Regarding the Presumption of Abandonment of Gift Obligations

(H.P. 1164) (L.D. 1612)
(C. "A" H-613)

An Act To Ensure Compliance with Federal Family First Prevention Services Legislation

(H.P. 1274) (L.D. 1792)
(C. "A" H-611)

An Act To Ensure Compliance with Federal Requirements for Background Checks of Certain Department of Health and Human Services Employees

(H.P. 1282) (L.D. 1801)
(C. "A" H-612)

Reported by the Committee on **Engrossed Bills** as truly and strictly engrossed, **PASSED TO BE ENACTED**, signed by the Speaker and sent to the Senate.

By unanimous consent, all matters having been acted upon were **ORDERED SENT FORTHWITH** with the exception of matters being held.

CONSENT CALENDAR

First Day

In accordance with House Rule 519, the following items appeared on the Consent Calendar for the First Day:

(H.P. 455) (L.D. 627) Bill "An Act Regarding Portable Electronic Device Content, Location Information and Tracking Devices" Committee on **JUDICIARY** reporting **Ought to Pass as Amended by Committee Amendment "A" (H-634)**

(H.P. 1118) (L.D. 1535) Bill "An Act To Correct Errors and Inconsistencies Related to the Maine Uniform Probate Code and To Make Other Substantive Changes" (EMERGENCY) Committee on **JUDICIARY** reporting **Ought to Pass as Amended by Committee Amendment "A" (H-632)**

(H.P. 1233) (L.D. 1731) Bill "An Act Regarding Representation of the Department of Marine Resources in Libel Proceedings" Committee on **JUDICIARY** reporting **Ought to Pass as Amended by Committee Amendment "A" (H-633)**

Under suspension of the rules, Second Day Consent Calendar notification was given.

There being no objection, the House Papers were **PASSED TO BE ENGROSSED as Amended** and sent for concurrence.

By unanimous consent, all matters having been acted upon were **ORDERED SENT FORTHWITH** with the exception of matters being held.