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An Act To Ensure That Maine's Energy Corridor Policy Does Not Harm Maine's Renewable Power Development

Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the Legislature has previously recognized the importance of developing renewable energy generation within the State with regard to achieving energy security, price stability, environmental goals and economic development; and

Whereas, the State is currently developing a policy on the designation, development and use of energy corridors; and

Whereas, an appropriate balance must be maintained between the State's energy corridor policy and the State's renewable power development; and

Whereas, this legislation extends the reporting deadline of the Commission to Study Energy Infrastructure; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

Be it enacted by the People of the State of Maine as follows:

Sec. 1. PL 2009, c. 372, Pt. F, §4, sub-§4 is amended to read:

4. Duties; corridors; plan. The commission shall examine the feasibility and effects of the State entering into agreements for leasing or otherwise allowing the use of state-owned lands or assets, including submerged lands, the rights-of-way of the state highway system, the federal interstate highway system, state-owned or state-controlled rail corridors or other state transportation corridors, for the installation of lines, cables, pipelines or other structures for the transmission of energy resources, communication transmission systems or related facilities. The commission shall develop a plan governing such agreements that addresses at least the following:

A. Appropriate valuation, pricing and allocation methodologies to maximize the long-term public value through the most efficient and effective use of the state-owned lands and assets; and

B. The potential effect of such agreements on renewable energy development in the State, on the development of other energy projects in the State, including but not limited to liquefied natural gas terminals, on energy consumers and ratepayers and on natural resources and the environment.

The commission shall make specific findings regarding the renewable and other energy project development potential in this State before final adoption of the plan. In developing the plan, the commission shall consider and give preference to energy project development in this State.

The commission shall also examine the policy issues relating to the construction or installation in this State of energy facilities greater than 75 miles in length. The commission shall evaluate the need for changes in methods of taxation to ensure protection of the public health, safety and welfare.

In developing the plan, the commission shall review and analyze relevant reports and information, including but not limited to the information, analysis and results of the New England States Regional Energy Blueprint being prepared by ISO-NE for the New England Governors and the New England States' Committee on Electricity. The commission shall also make findings of fact based on economic models developed by the Executive Department, State Planning Office to assess employment, taxation and other economic effects of power production in this State and the development of different types of corridors in this State. The commission shall also examine and monitor proposed or pending federal energy legislation that may significantly affect energy policy in this State. The commission may also consider ways in which the State's electric transmission systems, including new lines, system upgrades or the development of a smart-grid, or the development of natural gas systems, including pipelines and liquefied natural gas terminals, can help the State achieve its energy goals. The plan must also assess and quantify the effect of the various options on consumers in this State in the short term and the long term.

Sec. 2. PL 2009, c. 372, Pt. F, §4, sub-§6 is amended to read:

6. Report. No later than ~~December 2, 2009~~ May 1, 2010, the commission shall submit a report that includes its findings and recommendations, including suggested legislation, for presentation to the ~~Second~~ First Regular Session of the ~~124th~~ 125th Legislature. The ~~Joint Standing Committee on Utilities and Energy~~ joint standing committee of the Legislature having jurisdiction over utilities and energy matters may submit a bill related to the subject matter of the report to the ~~Second~~ First Regular Session of the ~~124th~~ 125th Legislature after receipt of the report.

Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.

SUMMARY

This bill amends the laws that establish the Commission to Study Energy Infrastructure, which must develop a plan for agreements for leasing or otherwise allowing the use of state-owned lands or assets for the installation of lines, cables, pipelines or other structures for the transmission of energy resources, communication transmission systems or related facilities. The bill requires the commission to make specific findings regarding the potential for the development of renewable and other energy projects in this State before final adoption of an energy corridor plan. In developing the plan, the commission is required to consider and give preference to energy project development in this State. The commission is directed to also make findings of fact based on economic models developed by the Executive Department, State Planning Office to assess employment, taxation and other economic effects of power production in this State and the development of different types of corridors in this State. The commission is required to assess and quantify the effect of the various options on consumers in this State in the short term and the long term. This bill also extends the commission's report deadline to May 1, 2010.