

# MAINE STATE LEGISLATURE

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One Hundred and Twenty-Sixth Legislature  
State of Maine

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beginning at Page 1

Education Committee, had I think he would have had a different opinion of just how easily this can be done and at what sort of expense. It's very appropriate and this is something all of our children should know. I think that it's a good thing for us to teach how to save lives. There are lots of things we teach in school. That is one that only takes 20 minutes out of the entire school year. I hope you will join me in supporting this. Thank you.

**THE PRESIDENT:** The Chair recognizes the Senator from York, Senator Tuttle.

Senator **TUTTLE:** Thank you Mr. President. Members of the Senate, believe it or not, this is probably the first bill that I put in back in 1979. Back then we had the state of Oregon, the state of Washington, and a number of states around the country that had already implemented legislation like this. That was 25 years ago. We find ourselves 25 years later still debating this issue. I think that as the bill has been amended, taking away the mandate, that is probably going to put us in a pretty good situation. I remember a gentleman that had worked for me as a Senate Aide before. He told me that as a young man when he and his father were walking on the beach his father had a sudden heart attack and died in front of the young man. It was something that he remembered for the rest of his life. I think that if he would have had CPR at the time, in his Boy Scout uniform, he might have been able to save his father. I think that the time has come. I do understand the concerns the Governor, the Executive, has, but as somebody has said, I think evaluating the situation and taking the mandate away, it is very appropriate that we finally do pass this bill. Thank you, Mr. President.

**THE PRESIDENT:** The Chair recognizes the Senator from Waldo, Senator Thibodeau.

Senator **THIBODEAU:** Thank you Mr. President. Ladies and gentlemen of the Senate, certainly we've heard a lot about the importance of this training. I've had this training myself. As a matter of fact, the town of Prospect, where I had a concrete plant years ago, didn't have one of these defibrillators and they came to me and asked me if I would be willing to help them with a fundraiser. We purchased that defibrillator because we believed it was absolutely imperative that the community have one. I don't think anybody here in this Chamber thinks that it is a bad idea. I think that the question becomes; do we really need to tell our local schools what to do and don't do? I certainly don't think that it's a big deal. I think they can make that decision on their own. I'd encourage them to do it, but I don't think I'd tell them through legislation. Thank you.

**THE PRESIDENT:** The Chair recognizes the Senator from Aroostook, Senator Jackson.

Senator **JACKSON:** Thank you Mr. President. Ladies and gentlemen of the Senate, I just wanted to say that I do think that this is an important issue that should be taught to our kids. I would have to say that it has to be very very frustrating to be anywhere and have somebody go into cardiac arrest and not be able to do anything to help them and stand there and probably watch them die. I think the ability to maybe show some people how important this is and the more people that we have trained in this, I think, is better overall for the public. I'm struck by how yesterday we had a bill about ASVAB tests. We were okay about

mandating schools to do that, but today we're against, or at least some people in the building are against, mandating a lifesaving procedure like CPR.

The President laid before the Senate the following: "Shall this Bill become law notwithstanding the objections of the Governor?"

In accordance with Article 4, Part 3, Section 2, of the Constitution, the vote was taken by the Yeas and Nays.

A vote of yes was in favor of the Bill.

A vote of no was in favor of sustaining the veto of the Governor.

The Doorkeepers secured the Chamber.

The Secretary opened the vote.

**ROLL CALL (#170)**

**YEAS:** Senators: BOYLE, CAIN, CLEVELAND, CRAVEN, DUTREMBLE, GERZOFSKY, GOODALL, GRATWICK, HASKELL, HILL, JACKSON, JOHNSON, LACHOWICZ, LANGLEY, MAZUREK, MILLETT, PATRICK, SAVIELLO, TUTTLE, VALENTINO, WOODBURY, THE PRESIDENT - JUSTIN L. ALFOND

**NAYS:** Senators: BURNS, COLLINS, CUSHING, FLOOD, HAMPER, KATZ, MASON, PLUMMER, SHERMAN, THIBODEAU, THOMAS, WHITTEMORE, YOUNGBLOOD

22 Senators having voted in the affirmative and 13 Senators having voted in the negative, and 22 being less than two-thirds of the members present and voting, it was the vote of the Senate that the veto of the Governor be **SUSTAINED**.

The Secretary has so informed the Speaker of the House of Representatives.

The Chair laid before the Senate the following Tabled and Later Today Assigned matter:

An Act To Reduce Energy Costs, Increase Energy Efficiency, Promote Electric System Reliability and Protect the Environment  
H.P. 1128 L.D. 1559

Tabled - June 6, 2013, by Senator **KATZ** of Kennebec

Pending - **SUSPENSION OF THE RULES** for the purpose of giving this Bill its **SECOND READING**

(In House, June 5, 2013, Report **READ** and **ACCEPTED** and the Bill **PASSED TO BE ENGROSSED AS AMENDED BY HOUSE AMENDMENT "A" (H-350)**.)

(In Senate, June 6, 2013, Report **READ** and **ACCEPTED**, in concurrence. **READ ONCE**. House Amendment "A" (H-350) **READ** and **ADOPTED**, in concurrence.)

Under suspension of the Rules, **READ A SECOND TIME.**

On motion by Senator **YOUNGBLOOD** of Penobscot, Senate Amendment "A" (S-222) **READ.**

**THE PRESIDENT:** The Chair recognizes the Senator from Penobscot, Senator Youngblood.

Senator **YOUNGBLOOD:** Thank you Mr. President. Ladies and gentlemen of the Senate, this is a very very good bill that we are looking at today that a lot of people put a lot of time into. It is always easy to oppose something. In fact, it's very easy sometimes to oppose things and very difficult to spend the time necessary to do the compromising necessary to get out a piece of major legislation. There is a change that I would like to have you consider. Current law specifically states the commission may not increase any assessment under this subsection until the Legislature has approved the Efficiency Maine Trust budget. That's in today's legislation that we've operated on from way way back. It's as clear as day. The language explicitly states that as the Legislature it's our job, and inherent in making our own decisions, as to what should happen to our constituents, the people who bear the brunt of these higher prices and the benefits that go along with the efficiency programs, which are enormous. It needs the approval of the Legislature to increase or to give taxes to our constituents. The language from this bill, as we have it in front of us and that we are voting on today, actually states that raising prices to fund Efficiency Maine is completely the PUC's discretion, without approval of the Legislature. The language states the cost of procurement of cost effective electric energy efficiency resources is a just and reasonable element of rates. The commission may issue any appropriate orders to transmission and distribution utilities necessary to achieve the goals of this subsection. What does appropriate orders mean? Appropriate orders means more money from ratepayers, increased electric rates, and continuing to put Maine at a disadvantage in attracting new businesses to the state because of our high electrical costs. We should continue to maintain the current process where we, as elected officials, determine whether it is time to increase electric rates and not outsource this decision to a commission that's further away from the households that are going to ultimately be affected by these decisions.

What is the bottom line? Currently, households in the state pay roughly \$9 a year to fund Efficiency Maine. The PUC has already determined that with this new authority they would increase that amount to \$21 a year. That's an increase of 126.6% in a three year period. For industrial consumers, the bill would go from \$8,700 a year to \$19,714 a year. It is not like we aren't funding Efficiency Maine with this bill. We're increasing the Efficiency Maine Trust by about \$27 million over the next three years. Shouldn't we be sure that additional funding increases on the backs of the ratepayers get approved by us, the Legislature? We should attain this authority and we would do that if you support this amendment. Thank you very much, Mr. President.

**THE PRESIDENT:** The Chair recognizes the Senator from Androscoggin, Senator Cleveland.

Senator **CLEVELAND:** Thank you Mr. President. Men and women of the Senate, the bill that you have before you is a process of five months' worth of work that was done in a bi-

partisan way with the Republican Leads fully involved in drafting the language and the Director of the Energy Office fully involved in the language that was being drafted. It was reviewed extensively at the public hearing. It was worked for days in work sessions. The bill that came out was a compromise. There are a number of things in the bill, because it's bi-partisan and because, incidentally, it is a 12-1 report, that were compromises between those who participated. This was one of them. The committee talked about this specific section for hours and came to a compromise. Let me just explain to you that we did not take lightly, nor does this bill, and willy-nilly open up an assessment on ratepayers that is not very restricted. First of all, the Efficiency Maine Board, which is appointed completely by the Governor, has to review the plans in regards to the programs in which it wishes to serve and it has to meet all of the criteria, that is it has to save much more money than it costs. They have to approve it by a two-thirds vote of the board. That board then has to submit that plan to the Public Utilities Commission. In an adjudicatory process, open to the public and open to any interveners, they make a determination on the part of the Public Utilities Commission on whether the criteria set out in statute by the Legislature is being met. In fact, it has the authority, and has in the most recent triennial plan, to reduce the request by 25%. We have, in addition to that, which had existed before, put a cap, that those rates cannot be more than 4% of the rates charged, which, incidentally, is the next to the lowest in the New England area. Most other states are 5%, 6%, or 7%. We took a very conservative number that is required to be put in. Currently in this bill, and in the budget, there is no increase in the benefit charge, zero, for two years. That was part of the compromise, that we would use other funds to fund efficiency programs. That was part of the give and take. Additionally, the way the program currently operates, the funds that are raised for this purpose by the Public Utilities Commission comes to the Public Utilities Commission, and because they are a sub-agency of the State, they are deposited in the State Treasury. Those funds exist in the State Treasury. In the Constitution, in Article 5, Part 3, Treasurer, subsection 4, it reads, "No money drawn except on appropriation or allocation, no money shall be drawn from the Treasury except in consequence of appropriations or allocations authorized by law." It's in the Constitution. Currently the practice is that it comes to the Public Utilities Commission, goes into their account, and, therefore, must be allocated to do that going forward. We further, to make sure that the Legislature was not cut out of the process, put into the bill specific language that says that the Energy, Utilities and Technology Committee has the authority on their own to create legislation if it disapproves with the action of the Public Utilities Commission in regards to anything, but also specifically in regards to whether it is the opinion of the committee, and ultimately the Legislature, that some other number should be chosen.

I would argue to you that we have put a fence around this in many different ways. We have protected the ratepayer and we have put in safeguards to do that. It was an agreed-to compromise by all 13 members of the committee. I know there are others in the other branch of government who have a different opinion, and I appreciate that difference of opinion. It is the consensus of that committee, on a 13-0 vote on that provision, that that is what we agreed to. I would ask this Body to continue with the agreement that we had, recognize we have all kinds of protections in there, and Indefinitely Postpone this amendment.

Senator **JACKSON** of Aroostook moved to **INDEFINITELY POSTPONE** Senate Amendment "A" (S-222).

On motion by Senator **KATZ** of Kennebec, supported by a Division of one-fifth of the members present and voting, a Roll Call was ordered.

The Doorkeepers secured the Chamber.

The Secretary opened the vote.

**ROLL CALL (#171)**

YEAS: Senators: BOYLE, CAIN, CLEVELAND, CRAVEN, DUTREMBLE, GERZOFISKY, GOODALL, GRATWICK, HASKELL, HILL, JACKSON, JOHNSON, LACHOWICZ, MAZUREK, MILLETT, PATRICK, TUTTLE, VALENTINO, WOODBURY, THE PRESIDENT - JUSTIN L. ALFOND

NAYS: Senators: BURNS, COLLINS, CUSHING, FLOOD, HAMPER, KATZ, LANGLEY, MASON, PLUMMER, SAVIELLO, SHERMAN, THIBODEAU, THOMAS, WHITTEMORE, YOUNGBLOOD

20 Senators having voted in the affirmative and 15 Senators having voted in the negative, the motion by Senator **JACKSON** of Aroostook to **INDEFINITELY POSTPONE** Senate Amendment "A" (S-222), **PREVAILED**.

On motion by Senator **YOUNGBLOOD** of Penobscot, Senate Amendment "B" (S-223) **READ**.

**THE PRESIDENT:** The Chair recognizes the Senator from Penobscot, Senator Youngblood.

Senator **YOUNGBLOOD:** Thank you Mr. President. Ladies and gentlemen of the Senate, this past Friday the University of Maine launched the first floating concrete wind turbine in the world. I was there. A big crowd, wonderful. Makes you wonder how cement is going to float on the ocean. Lots of people in the crowd said, "I came down because I want to see that thing sink when they set it in the water." It, in fact, was a one-eighth sized version of the ultimate windmill that the University of Maine would propose putting together, which will be 600 feet tall and 50 miles out there in the ocean. One of many, they would hope. The event was covered by national papers. A reflection of the hard work and the great work of the engineering department at the University of Maine. The University competed for federal grants to support the project. It has been identified by the Department of Energy as one of the seven best wind projects in the country and can significantly reduce the price of off-shore wind because of the technology of how they would build it and then tow it out to the ocean. The University is confident that with their innovated concrete technology, as opposed to steel, they can significantly drop the price to a competitive level.

The University is now competing for a significant federal grant, among seven, of which Maine was one of the ones that I recently referred to, that have been identified throughout the country. One critical aspect of the review is whether there is a contract for their off-shore wind project. Effectively, the Department of Energy looks to see how much additional support

states in the market are providing for this type of technology. However, the Public Utilities Commission has awarded the Norwegian state oil company, Statoil, a \$200 million Maine ratepayer support for a term sheet that puts this multinational company in a much better position to receive the Department of Energy grant. The contract is for 20 years at a price of 27¢ per kilowatt. The average price in Maine per kilowatt is 8¢ per kilowatt. During the evaluation, when the DOE compares the University project to the Statoil project, this will be a key contrast between the two projects. Cost is ultimately very important.

The University doesn't have a term sheet. In an attempt to resolve the issue, the underlying bill that this would change has language in there, but it effectively leaves the University in second place. It would allow PUC to move forward with additional projects only in the event that Statoil decides not to move forward with that particular project. This amendment would allow a full evaluation of all off-shore wind projects from the University and Statoil and other companies that, in fact, may bid for a final contract. We're talking about \$200 million on the backs of Maine ratepayers and discussing the University of Maine, which has made major strides in just over this last week. Couldn't we allow an evaluation to see who has the best deal for Maine? Ultimately, it is not just this \$200 million that we're talking about. If the University of Maine project is, in fact, the one that would be selected, a manufacturing facility in Searsport would be created where all of these wind turbines would be built, on site, in Searsport, and towed out to the site. Significant employment because it not only would provide a base for creating these in Maine, it would be the base for creating multiple, hundreds of these, for the Atlantic coast; off New Jersey, off Maryland, and those areas all being discussed for off-shore wind power. All of those would be built in Maine and then towed to sea, down the coast. That process works very well. This amendment would do nothing to stop the Statoil contract from ultimately being signed. It simply allows more competition to see what can be the best opportunity in the development of off-shore wind for the entire state of Maine. I hope you will give it your very best consideration. Thank you very much, Mr. President.

Senator **CLEVELAND** of Androscoggin moved to **INDEFINITELY POSTPONE** Senate Amendment "B" (S-223).

**THE PRESIDENT:** The Chair recognizes the Senator from Androscoggin, Senator Cleveland.

Senator **CLEVELAND:** Thank you Mr. President. My good friend and colleague from Penobscot County, Senator Youngblood, is correct. The University of Maine project is very important. They are doing very brilliant and innovative work on off-shore wind power. They have recently just launched a pilot prototype to test their theories and design work. We were very impressed with the dozen or so students, graduate students, designers, engineers, IT people, and graphic folks from the University when they presented to the committee the work they were doing and how excited they were. We couldn't have been prouder of them in how well they represented the state. They are some of the brightest and smartest people we have. The committee was so impressed with them that we decided to put into this bill, specifically for the University of Maine, Part H which provides an opportunity for them to have a second round, to submit an application to the Public Utilities Commission to be considered as a pilot wind project. We have specifically said in the amendment

that that has to be done before December 31<sup>st</sup> of this year. An important date because the Department of Energy contract consideration will be in February 2014. We wanted to ensure that the University of Maine had an opportunity to fully present its proposals to the Public Utilities Commission and to have an opportunity to be considered for the funds that the good Senator Youngblood has talked about for off-shore wind. In fact, the University of Maine's representatives and their attorney participated in the crafting of the Part H that we put into the bill. They have said this is exactly what they want. This does what they need it to do. We accepted it and voted on it unanimously and put it into our bill because we think it's so critically important. In fact, we have asked for an emergency preamble, which is attached to the bill, because we want to make sure that they can start this process immediately with the Public Utilities Commission so that can make that December 31<sup>st</sup> date.

Now the amendment that you have before you has only seen the light of day in the last two or three days. This amendment has other ulterior motives. What it is asking this Legislature to do is to interfere, interject, in an adjudicatory process that has already occurred at the Public Utilities Commission in regards to off-shore wind. It wants to substitute the opinion, the judgment, of this Legislature, who has not heard any of the evidence, who hasn't read the proposals, who haven't looked at the merits of the case, and make a decision and specifically says, "May not award a contract for proposal under this section." That's what it says. That proposal is for Statoil, who currently has a term sheet, an agreement. Often you will hear in this Chamber and in other places that if we really want to attract industry and business and development in this state we have to have consistency. We have to go by the rules. We can't change them in mid-stream. Otherwise we're sending signals to businesses that they can't rely on the rules and regulations and processes that are set up. If this amendment would be adopted, what we would be doing is interfering in that adjudicatory process. Quite frankly, in past times, there is existing case law in a couple of instances where when that was attempted the court said it was inappropriate when it was appealed to the law court. I don't think it's appropriate for us to be doing this. We should not be overturning a decision that already has been made. We've set up a process that the University of Maine says does what they need it to do. It provides an opportunity for their program to be evaluated on its merits and provides an opportunity for them to be offered a term sheet. I would recommend very strongly that we not proceed with this amendment. It is ill advised in that it has not really a purpose, which is to assist the University of Maine, because if you wanted to do that you have the language written by them that's in the bill. The motive here is that there is some who don't like the decision and, therefore, want to take this opportunity to undo it. That is inappropriate. I will hope that you will join me in voting to Indefinitely Postpone.

On motion by Senator **KATZ** of Kennebec, supported by a Division of one-fifth of the members present and voting, a Roll Call was ordered.

**THE PRESIDENT:** The pending question before the Senate is the motion by the Senator from Androscoggin, Senator Cleveland to Indefinitely Postpone Senate Amendment "B" (S-223). A Roll Call has been ordered. Is the Senate ready for the question?

The Doorkeepers secured the Chamber.

The Secretary opened the vote.

**ROLL CALL (#172)**

**YEAS:** Senators: BOYLE, CAIN, CLEVELAND, CRAVEN, DUTREMBLE, GERZOFSKY, GOODALL, GRATWICK, HASKELL, HILL, JACKSON, JOHNSON, LACHOWICZ, MAZUREK, MILLETT, PATRICK, TUTTLE, VALENTINO, WOODBURY, THE PRESIDENT - JUSTIN L. ALFOND

**NAYS:** Senators: BURNS, COLLINS, CUSHING, FLOOD, HAMPER, KATZ, LANGLEY, MASON, PLUMMER, SAVIELLO, SHERMAN, THIBODEAU, THOMAS, WHITTEMORE, YOUNGBLOOD

20 Senators having voted in the affirmative and 15 Senators having voted in the negative, the motion by Senator **CLEVELAND** of Androscoggin to **INDEFINITELY POSTPONE** Senate Amendment "B" (S-223), **PREVAILED**.

**THE PRESIDENT:** The Chair recognizes the Senator from Androscoggin, Senator Cleveland.

Senator **CLEVELAND:** Thank you Mr. President. I wanted to take just a few minutes of time, if I may, men and women of the Senate, because this is really a historic bill. A critically important bill. I know that, not sitting in the Energy and Utilities Committee, there is no particular reason you would know all of the aspects and details. I wanted to share them with you because this is a very important decision we will be making.

First, I think I want to start by beginning to tell you the process because the process was very important. This is a bill that will reduce energy costs, increase energy efficiency, improve the electric system and reliability, and protects the environment of Maine, all incorporated into this bill. We have been working on this bill for five months. It has been an inclusive process. My good friend and colleague, a gentleman who I respect immensely, Senator Youngblood has been involved with it from the beginning, as has the Republican Lead from the House as well as the director of the Energy Office for the Governor, and the Chairs of the committee. We have relied on the resources of the Public Utilities Commission, the Office of Public Advocate, and other authoritative sources. Over this time we have taken 12 bills, the substance of which we have integrated into one bill, recognizing, quite frankly, that probably none of those bills individually would have passed for various political reasons. We would have accomplished nothing at a time when something must be done. We also wanted to make sure that this was a bi-partisan process, that everyone was involved, and everyone had an opportunity to be at the table to discuss it. When the draft was done, we held extensive public hearings. We held days of work sessions. We went through the bill, section by section by section, discussing each of the details and we allowed additional public comments into the bill. Ultimately, this became a 12-1 report, but really in a sense a 13-0 report because the 1 actually voted for every single individual part but, for philosophical reasons, decided at the end not to proceed with the bill. This bill represents real compromise, real bi-partisanship. Actually, for those of you haven't seen this before, this is how consensus, bi-partisan legislation is done. This is how you come to decisions on critically important issues.

Let me talk briefly about some of the important aspects of the bill. The first is that our energy costs in this state are way too high. In fact, our electricity costs are particularly high and the reliability of that system is at threat. We have learned that in the December and February of this year, because of the electricity in the state and in New England 52% of it is generated by gas fired electric generating plants, and because there are constrictions in the amount of gas that can come to this New England area to supply those electric generating facilities, at the end of January and beginning of February we were within hours of having rolling blackouts in New England because there was not enough natural gas supply to run the generators. Rolling blackouts in New England. That is a threat that we cannot idly stand by and do nothing about. We also know that because of that constriction, that is those pipelines are fully prescribed, that there isn't enough space in those pipelines for all of the gas that is needed to feed those electric generating plants. What happens is that space has gone out to bid. What is usually \$4 a unit goes to \$40 a unit so that they can get the gas to those generating plants. That's an energy tax for the state of Maine every year of \$200 million that all electric customers in the ISO New England system pay. That's \$200 million a year. That goes to the transmission company and goes outside of the New England area. It comes out of our economy every year. Within five years that's a billion dollars of funding that leaves the state of Maine for those facilities. It's a 1.7¢ tax on the electric bills to pay for that \$200 million. The only existing solution from ISO New England is to order dual fuel plants to buy 1.8 million barrels of oil at very high prices and to burn it, which is far more polluting in the state of Maine. It's because of these and other reasons that we needed to move ahead to solve this problem and not stand idly by.

What we have done in the bill is put in a process by which the State of Maine, with many safeguards, including approval of the Governor, to be able to enter into a contract with a pipeline with others to create more capacity, more ability to have gas in New England, which will make the system reliable and lower the price to the average price of \$4 as opposed to \$40, saving Maine businesses and homeowners \$200 million a year.

The second issue that we developed in the bill was the high cost of heating our homes. We all know that our residents and businesses pay one of the highest costs to heat their homes and businesses. In fact, 70% of the homes in Maine heat by oil, where the national average is only 7%. What we have done is create a program for the first time, funded by \$6.6 million of funding from the REGGI Fund, to help Efficiency Maine help folks choose a less expensive fuel. That will cut those energy costs in half, by about \$1,500 or \$1,600 a year. That will be money in the homeowner's pocket and the business' pocket. That will add up to tens of millions and hundreds of millions of dollars of funds that will stay in this state. The good Senator from Kennebec noted what happens when you keep money in the state. People spend it on businesses. They buy goods. They buy services. They stimulate the economy. This will happen with this kind of program. Tens of millions of dollars, and over the years hundreds of millions of dollars, will stay in the state as opposed to going out of the state for foreign oil. The program knocks down the one barrier that folks, particularly lower and moderately income folks, have, being able to afford changing to a different heating system. This will provide some grants and loans that will help those folks be able to make that change. It also funds Efficiency Maine by not raising a single dime additional in the Service Benefit Fund but by using other funds from a Maine Yankee settlement so that

over the next two years there will be an additional \$23 million available to lower electricity prices, to help with weatherization and efficiency, and conservation without creating any increase. Last year alone, at the lower level, \$76 million in savings were realized through the Efficiency Maine process.

Another area in the bill in which we have taken the direction which we think is appropriate from the other branch of government is that we've provided for \$26 million in rate reductions on our electric rates so that the rates will be lower than they otherwise would be to help reduce the cost. We've also included a municipal street lighting provision. For the first time ever, municipalities will be able to have the opportunity to work with the electric utility companies to choose an option where they can lower their municipal lighting bill by owning the fixtures, maintaining the fixtures, and purchasing their own electric power for it. This has been done in many other areas of the country and what they have found is that those municipalities can save 50% on their street lighting bill. Cut it in half. I can give you an example. Back home, in my home city of Auburn, the municipal street lighting bill is about \$600,000 a year. If they choose this program, they would save \$300,000 a year. This would be similar to communities around the state of Maine.

We've also extended a program for high efficiency fuel pumps, which cut 40% or 50% off the cost of heating, which Bangor Hydro Electric currently is using and Central Maine Power will consider. Again, this saves money for those folks who are trying to lower their heating costs. As I talked about before, we have the language that helps the University of Maine proceed with the Public Utilities Commission to present their project to receive funding for their off-shore wind experiment, a pilot project. This is a bill, ladies and gentlemen, that is critically important. I hope that you will all support it. This is not something that we can ignore. High energy costs are resulting in a tremendous drag on our economy and higher costs both for our businesses and our citizens. This is a realistic compromise solution that makes dramatic changes in that. I hope that you will vote for the bill.

**THE PRESIDENT:** The Chair recognizes the Senator from Cumberland, Senator Boyle.

Senator **BOYLE:** Thank you Mr. President. Ladies and gentlemen of the Senate, I rise in support of L.D. 1559. I submitted an efficiency bill, L.D. 1426, back in April. Many parts of that bill have been incorporated into the omnibus bill. I really applaud the good bi-partisan work of the Utilities Committee over the months. The overall package will result in huge reductions in energy bills for residential and business customers. The gas provisions are part of those. Those have been added. They weren't part of my bill, but they have been brought in and I think they are doing really good things as well. Efficiency is a major component that will lower energy costs. The good Senator described Efficiency Maine's three year plan. As I understand it, it will save energy consumers an additional \$365 million beyond the current savings funding. Using one-third of the Regional Greenhouse Gas Initiative funds for the residential heating programs could help around 5,000 homeowners cut heating bills every year; \$10 million to \$15 million each year. Over the long term these will add up year after year. This is a good thing for us. In addition to weatherization and air sealing, the funds can be used, for example, for high energy heating equipment for people wanting to upgrade or switch to those types of equipment. The bill gives the Efficiency Maine Trust flexibility to do the most cost

effective programs. That was a key element of the bill that I put in. I'm pleased to see that it's still in there. It is very crucial to the success. In addition to using Maine Yankee money to more fully fund Efficiency Maine, the bill would shift the power policy framework so we can set efficiency investment levels based on what is most cost effective and not what is just the most politically feasible, thus putting ratepayers first. Thank you, Mr. President.

**THE PRESIDENT:** The Chair recognizes the Senator from Penobscot, Senator Youngblood.

Senator **YOUNGBLOOD:** Thank you Mr. President. Ladies and gentlemen of the Senate, I'm rising to support this very important bill to the state of Maine. It has lots and lots of different segments to it. There is a reason to love the bill. If you are opposed to this kind of thing generally, if you look through the bill you will find some justification for opposing it. There is something in there to love by everyone. There is something in there to dislike by everyone. That's what compromising is all about. I think it's fair to say that all of the constituents that were involved in putting this together all have some bite of the apple, some piece that is really important to them. You've heard a lot about saving \$200 million a year in reduce electrical costs. That's a fact. It also is important to note, we have a number of industries in this state that are hanging by their fingernails, and they are holding their breath, waiting for this to happen. They can get through the next three years or four years or whatever period of time it takes to see the fruits of this effort, knowing that after that they are going to see a substantial reduction in their energy costs.

This kind of got the word around that this is about Maine building a pipeline. It's not about building a pipeline, in my estimation. We've already had a visit from Kinder Morgan, a major, the major, developer. They own and operate in the vicinity of 80,000 miles of pipeline in North America. They are the largest developer. They are interested in bringing a new pipeline into New England. Is our decision on this going to interfere with that? I don't think it will in any way. They are going to build a pipeline. This is about having control of a piece of that pipeline, roughly 10% we would assume. If they build a pipeline to New England, will we get a benefit from it if we don't participate? Yes, because the cost of energy being developed at all of those big plants in New England are running on gas. We're going to get that benefit whether we do this or not. What we aren't going to get is control over how some of that pipeline is used, how we get to ensure that those major manufacturing facilities in Maine that are extremely high energy users are going to survive for the next 10, 15, or 20 years. What we get is the ability to wave the flag for new industry to come to Maine. We keep hearing over and over again that it's difficult to get a company to come to Maine because our energy costs are too high. What a wonderful thing to say that our rates now had dropped substantially and instead of 15¢ or 16¢ per kilowatt we're down to 5¢ or 6¢ a kilowatt. That's what this is really all about. How do we get the economic development effort from what is now determined to be the least expensive method of heating? We here in the United States have the biggest deposits in the world. Every other state is going to be able to take advantage of that. We need to as well. We will only be able to do that if we control a piece of that new pipeline that's coming. Thank you very much, Mr. President.

**THE PRESIDENT:** The Chair recognizes the Senator from Androscoggin, Senator Cleveland.

Senator **CLEVELAND:** Thank you Mr. President. I'd like to read, for the record, as I was asked by one of the members here in the Chamber, concerning three items in regards to the energy bill. I want to do that at their request.

First, there was some question in regards to whether, for the purchase of capacity on this pipeline, if there should be, there may never be but if there should be, an assessment on utilities to pay for that capacity. I want to read into the record that there will be no charge to any utility that doesn't receive a benefit from this. For example, if you are in Northern Maine and you are not tied into the ISO New England system, you don't receive a benefit and therefore you will not receive a charge. In fact, I have had the Commissioner of the Public Utilities Commission, Mr. Welch, put that in writing and I have provided it this member and would to anyone who like to see it.

Also there was some concern that in the street lighting provisions that it might have some adverse effect for community-owned utilities; that is they are owned by the consumers. This is not intended to do that. There is no mandatory requirement in the bill that any of those community-owned utilities or municipalities participate in that street lighting program. I pledge that should a problem develop I will work with the members to make sure that we solve that and correct that problem.

Finally, for those community-owned utilities, there is a provision in the bill in regards to non-transmission alternatives when new electric transmission lines have to be built. It was not the intent of the bill to capture these community-owned utilities into that provision. I think it's quite unlikely that they would. If they did I am once again pledging that should that create any issue or problem for those community-owned utilities that I will personally work to rectify the problem and to correct it.

**THE PRESIDENT:** The Chair recognizes the Senator from Sagadahoc, Senator Goodall.

Senator **GOODALL:** Thank you Mr. President. Men and women of the Senate, I rise today to commend and thank the hard work of the Utilities and Energy Committee in coming together with so many interests, so many different stakeholders, and so many important issues. Energy is one of the most challenging issues facing our economy and facing homeowners across the state of Maine. By today's action we are taking a significant stride in the right direction. There were many people involved; the Senate Chair and the Lead for the Republicans on the Committee, as well as strong leadership from the other Body. I think everyone deserves credit because we really can accomplish a lot when we work together. I just wanted to rise today and thank them for that hard work and really reassure the people of Maine that we are taking great strides forward in making sure that we address the energy concerns. Real challenges here, not only for homeowners but also for businesses and industrial facilities across this state. This is a very important step. Thank you, Mr. President.

On motion by Senator **CLEVELAND** of Androscoggin, supported by a Division of one-fifth of the members present and voting, a Roll Call was ordered.

**THE PRESIDENT:** The pending question before the Senate is Passage to be Engrossed as Amended, in concurrence. A Roll Call has been ordered. Is the Senate ready for the question?



The Doorkeepers secured the Chamber.

The Secretary opened the vote.

**ROLL CALL (#173)**

YEAS: Senators: BOYLE, CAIN, CLEVELAND, COLLINS, CRAVEN, DUTREMBLE, FLOOD, GERZOFKY, GOODALL, GRATWICK, HASKELL, HILL, JACKSON, JOHNSON, KATZ, LACHOWICZ, LANGLEY, MAZUREK, MILLETT, PATRICK, PLUMMER, SAVIELLO, TUTTLE, VALENTINO, WHITTEMORE, WOODBURY, YOUNGBLOOD, THE PRESIDENT - JUSTIN L. ALFOND

NAYS: Senators: BURNS, CUSHING, HAMPER, MASON, SHERMAN, THIBODEAU, THOMAS

28 Senators having voted in the affirmative and 7 Senators having voted in the negative, was **PASSED TO BE ENGROSSED AS AMENDED**, in concurrence.

All matters thus acted upon were ordered sent down forthwith for concurrence.

Off Record Remarks

The Chair laid before the Senate the following Tabled and Later Today Assigned matter:

SENATE REPORTS - from the Committee on **HEALTH AND HUMAN SERVICES** on Bill "An Act To Maintain the Integrity of the Fund for a Healthy Maine"

S.P. 426 L.D. 1232

Majority - **Ought to Pass as Amended by Committee Amendment "A" (S-204)** (8 members)

Minority - **Ought Not To Pass** (5 members)

Tabled - June 6, 2013, by Senator **CRAVEN** of Androscoggin

Pending - motion by same Senator to **ACCEPT** the Majority **OUGHT TO PASS AS AMENDED** Report

(In Senate, June 6, 2013, Reports **READ**.)

On motion by Senator **KATZ** of Kennebec, supported by a Division of one-fifth of the members present and voting, a Roll Call was ordered.

**THE PRESIDENT:** The Chair recognizes the Senator from Androscoggin, Senator Craven.

Senator **CRAVEN:** Thank you Mr. President. Men and women of the Senate, I filed this bill because I think that when Maine first

was awarded our tobacco settlement money we were very wise in making the decision to build a public health system, invest in tobacco cessation, early childhood services, and drugs for the elderly, just to name a few. The fund was never meant to subsidize the General Fund Budget. It's the only revenue that we have to invest in prevention. It has 70% support from the general public, from the people of Maine. Throwing money into the black hole on the back of needs. When people are sick or when people are already addicted, trying to correct the harm after the damage is done is something that government always does. This fund is the only fund that has the flexibility to address prevention. I know that this is not going to happen in this session because of where we are in the budget and in the process. By 2015, our fund will again be replenished. I would hope that we would go back to having the resolve and the initiative to invest in wellness and to keep our tobacco money for prevention and to help people who have been harmed by the tobacco companies. I would ask for your support in passing this Resolve. Thank you, Mr. President.

**THE PRESIDENT:** The Chair recognizes the Senator from Oxford, Senator Hamper.

Senator **HAMPER:** Thank you Mr. President. Ladies and gentlemen of the Senate, I very much appreciate the Senator from Androscoggin giving me the lead in, referring to the budget as a black hole. Given the debate of earlier in the day, how did we create that black hole? Thank you, Mr. President.

**THE PRESIDENT:** The pending question before the Senate is the motion by the Senator from Androscoggin, Senator Craven to Accept the Majority Ought to Pass as Amended Report. A Roll Call has been ordered. Is the Senate ready for the question?

The Doorkeepers secured the Chamber.

The Secretary opened the vote.

**ROLL CALL (#174)**

YEAS: Senators: BOYLE, CAIN, CLEVELAND, CRAVEN, DUTREMBLE, GERZOFKY, GOODALL, GRATWICK, HASKELL, HILL, JACKSON, JOHNSON, LACHOWICZ, MAZUREK, MILLETT, PATRICK, TUTTLE, VALENTINO, WOODBURY, THE PRESIDENT - JUSTIN L. ALFOND

NAYS: Senators: BURNS, COLLINS, CUSHING, FLOOD, HAMPER, KATZ, LANGLEY, MASON, PLUMMER, SAVIELLO, SHERMAN, THIBODEAU, THOMAS, WHITTEMORE, YOUNGBLOOD

20 Senators having voted in the affirmative and 15 Senators having voted in the negative, the motion by Senator **CRAVEN** of Androscoggin to **ACCEPT** the Majority **OUGHT TO PASS AS AMENDED** Report, **PREVAILED**.

**READ ONCE.**

Committee Amendment "A" (S-204) **READ** and **ADOPTED**.

Under suspension of the Rules, **READ A SECOND TIME** and **PASSED TO BE ENGROSSED AS AMENDED**.