#### HP0192, LD 238, item 2, 124th Maine State Legislature Amendment C "A", Filing Number H-35

'An Act Regarding Consumer-owned Water Utilities and Contracts for Large-scale Extraction and Transportation of Water'

PLEASE NOTE: Legislative Information *cannot* perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

Amend the bill by striking out the title and substituting the following:

# 'An Act Regarding Consumer-owned Water Utilities and Contracts for Large-scale Extraction and Transportation of Water'

Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:

'Sec. 1. 35-A MRSA §6109-B is enacted to read:

## § 6109-B. Contracts for large-scale extraction and transportation of water

Except as provided in subsection 5, this section governs any contract or agreement between a consumer-owned water utility and another entity that involves the large-scale extraction of water and the large-scale transportation of water.

- **1. Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.
  - A. "Large-scale extraction of water" means the extraction of water that is required to be permitted, certified, reported or approved pursuant to:
    - (1) The in-stream flow provisions of Title 38, section 470-H;
    - (2) The requirements for significant groundwater wells under Title 38, section 480-B;
    - (3) The site location of development law requirements for a development of state or regional significance that may substantially affect the environment as provided in Title 38, section 482, subsection 2; or
    - (4) The water withdrawal reporting program under Title 38, chapter 3, subchapter 1, article 4-B.
  - B. "Large-scale transportation of water" means the transportation of water for commercial purposes by pipeline or other conduit or by tank truck or in a container, greater in size than 10 gallons, beyond the boundaries of the municipality or township in which the water is naturally located or of any bordering municipality or township.
- 2. <u>Public meeting required.</u> A consumer-owned water utility may not enter into a contract or agreement subject to this section until at least 30 days after holding a public meeting on the proposed contract or agreement in accordance with this subsection. The public meeting must include:

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- A. A presentation by the consumer-owned water utility of the terms and conditions of the proposed contract or agreement and the criteria to be used by the utility to decide whether to enter into the contract or agreement; and
- B. An opportunity for public comment on the proposed contract or agreement.
- 3. Public notice required. The consumer-owned water utility shall, at least 30 days prior to the public meeting required under subsection 2, give written notice of the public meeting and the proposed contract or agreement in accordance with this subsection. The notice must include the date, time, place and purpose of the meeting.
  - A. The consumer-owned water utility shall give one written notice to each of its customers.
  - B. The consumer-owned water utility shall give written notice to the commission, the Office of the Public Advocate and the municipality or municipalities where the source of water is located.
  - C. The consumer-owned water utility shall publish one notice in a newspaper of general circulation in the area served by the consumer-owned water utility.
- 4. Copy available for inspection. Prior to the public meeting required under subsection 2, the consumer-owned water utility shall make available for public inspection a copy of the proposed contract or agreement.
- <u>5. Exceptions.</u> This section does not apply to a contract or agreement between a consumer-owned water utility and another entity that involves the large-scale extraction of water and the large-scale transportation of water when:
  - A. The entity entering into a contract or agreement with the consumer-owned water utility is:
    - (1) An existing customer of the consumer-owned water utility; or
    - (2) A water utility; or
  - B. The large-scale transportation of water meets the exceptions provided in Title 22, section 2660-A, subsection 2, paragraph B, C or D.
- 6. Rulemaking. The commission may adopt rules to implement this section. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

## **SUMMARY**

This amendment replaces the bill. The amendment prohibits a consumer-owned water utility from entering into a contract that involves large-scale extraction and transportation of water until the utility has:

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- 1. Held a public meeting that includes opportunity for public comment at least 30 days before entering into such contract;
- 2. Provided public notice of the meeting and the proposed contract to each of the utility's customers, the Public Utilities Commission, the Office of the Public Advocate and affected municipalities, and in a newspaper of general circulation in the area served by the utility, at least 30 days prior to the meeting; and
  - 3. Made a copy of the proposed contract available for public inspection prior to the meeting.

The amendment specifies that the requirements do not apply to any contract between a consumerowned water utility and another entity that involves large-scale extraction and transportation of water when the entity contracting with the utility is an existing customer of the utility or is a water utility, or when the transportation of water to be provided under the contract qualifies as one of several exceptions in the laws governing restrictions on bulk transport of water.

FISCAL NOTE REQUIRED (See attached)