

MAINE STATE LEGISLATURE

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SMG
R. 05

L.D. 761

Date: 6/1/11

(Filing No. H-455)

ENERGY, UTILITIES AND TECHNOLOGY

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
125TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 568, L.D. 761, Bill, "An Act To Provide Rebates for the Purchase of Certain Solar and Wind Power Equipment"

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

'An Act To Provide Rebates for Renewable Energy Technologies'

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

'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Whereas, the laws governing the solar and wind energy rebate program were repealed effective December 31, 2010; and

Whereas, the installation of renewable energy technology is a form of economic activity in this State; and

Whereas, funding is immediately available for rebates to provide incentives for this economic activity; 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. 35-A MRS §3210, sub-§9, ¶B, as amended by PL 2009, c. 565, §4 and affected by §9, is further amended to read:

B. The commission shall collect alternative compliance payments made by competitive electricity providers and shall deposit all funds collected under this paragraph in the Renewable Resource Fund established under section 10121, subsection 2 to be used to fund research, development and demonstration projects

COMMITTEE AMENDMENT

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relating to renewable energy technologies and to fund rebates for cost-effective renewable energy technologies.

Sec. 2. 35-A MRSA §10121, sub-§1, as enacted by PL 2009, c. 565, §7 and affected by §9, is amended to read:

1. Funding for renewable resource research and development; community demonstration projects; rebates for cost-effective renewable energy technologies. The trust by rule shall establish and administer a program allowing retail consumers of electricity to make voluntary contributions to fund renewable resource research and development ~~and~~, to fund community demonstration projects using renewable energy technologies and to fund rebates for cost-effective renewable energy technologies. The program must:

- A. Include a mechanism for customers to indicate their willingness to make contributions;
- B. Provide that transmission and distribution utilities collect and account for the contributions and forward them to the trust;
- C. Provide for a distribution of the funds through a competitive bid process to the University of Maine System, the Maine Maritime Academy or the Maine Community College System for renewable resource research and development;
- D. Provide for a distribution of the funds through a competitive bid process to Maine-based nonprofit organizations that qualify under the federal Internal Revenue Code, Section 501(c)(3), consumer-owned transmission and distribution utilities, community-based nonprofit organizations, community action programs, municipalities, quasi-municipal corporations or districts as defined in Title 30-A, section 2351, community-based renewable energy projects as defined in section 3602, subsection 1 and school administrative units as defined in Title 20-A, section 1 for community demonstration projects using renewable energy technologies; ~~and~~
- E. Provide for an annual distribution of 35% of the funds to the Maine Technology Institute to support the development and commercialization of renewable energy technologies; and
- F. Provide rebates for cost-effective renewable energy technologies as determined by the trust.

~~Rules adopted under this subsection are routine technical rules pursuant to Title 5, chapter 375, subchapter 2-A.~~

Sec. 3. 35-A MRSA §10121, sub-§2, as enacted by PL 2009, c. 565, §7 and affected by §9, is amended to read:

2. Fund established. There is established the Renewable Resource Fund, referred to in this section as "the fund." The fund is a nonlapsing fund administered by the trust. All funds collected by the trust pursuant to subsection 1 must be deposited in the fund for distribution by the trust in accordance with subsection 1. The trust may seek and accept funding for the program established pursuant to subsection 1 from other sources, public or private. Any funds accepted for use in the program established pursuant to subsection 1 must be deposited in the fund. Funds not spent in any fiscal year remain in the fund to

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COMMITTEE AMENDMENT "A" to H.P. 568, L.D. 761

1 be used for the purposes of this section. Any interest earned on funds in the fund must be
2 credited to the fund.

3 The trust may allocate funds pursuant to subsection 1, paragraphs C, D and F from the
4 fund to most effectively meet the objectives of the triennial plan pursuant to section
5 10104, subsection 4.

6 **Sec. 4. 35-A MRSA §10121, sub-§4** is enacted to read:

7 **4. Rulemaking.** The trust shall adopt rules to implement this section. The rules
8 must include, but are not limited to:

9 A. Selection criteria for the competitive bid process pursuant to subsection 1,
10 paragraphs C and D, including, but not limited to, the cost-effectiveness of the project
11 or development and the likelihood that the renewable energy technology will be
12 adopted on a broader scale in this State; and

13 B. Qualification criteria for rebates for renewable energy technologies pursuant to
14 paragraph F, including, but not limited to, cost-effectiveness and quality assurance
15 requirements.

16 Rules adopted under this subsection are routine technical rules pursuant to Title 5, chapter
17 375, subchapter 2-A.

18 **Sec. 5. Use of remaining funds for solar and wind energy rebate**
19 **program.** The Efficiency Maine Trust, established in the Maine Revised Statutes, Title
20 35-A, section 10103, shall use any remaining funds collected for purposes of the solar
21 and wind energy rebate program that was terminated on December 31, 2010 pursuant to
22 Title 35-A, former section 10112 for rebates for renewable energy technologies pursuant
23 to Title 35-A, section 10121, subsection 1, paragraph F.

24 **Sec. 6. Appropriations and allocations.** The following appropriations and
25 allocations are made.

26 **EFFICIENCY MAINE TRUST**

27 **Efficiency Maine Trust Z100**

28 Initiative: Allocates funds to the Efficiency Maine Trust to provide rebates for
29 cost-effective renewable energy technologies utilized by government and nonprofit
30 entities subjected to a competitive bid process.

31	OTHER SPECIAL REVENUE FUNDS	2011-12	2012-13
32	All Other	\$0	\$360,000
33			
34	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$0</u>	<u>\$360,000</u>

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

COMMITTEE AMENDMENT

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SUMMARY

This amendment allows for rebates for renewable energy technologies to be eligible for funding from the Renewable Resource Fund rather than reinstating an assessment on electricity for the purpose of providing rebates for certain solar and wind technology, as proposed in the bill. The amendment also adds an appropriations and allocations section.

FISCAL NOTE REQUIRED

(See attached)



125th MAINE LEGISLATURE

LD 761

LR 729(02)

An Act To Provide Rebates for the Purchase of Certain Solar and Wind Power Equipment

Fiscal Note for Bill as Amended by Committee Amendment "A"
Committee: Energy, Utilities and Technology
Fiscal Note Required: Yes

Fiscal Note

	FY 2011-12	FY 2012-13	Projections FY 2013-14	Projections FY 2014-15
Appropriations/Allocations				
Other Special Revenue Funds	\$0	\$360,000	\$358,000	\$10,000

Fiscal Detail and Notes

This bill allocates funds to the Efficiency Maine Trust (EMT) to utilize existing funds in the Renewable Resource Fund and from future annual alternative compliance payments to provide rebates for cost effective renewable technologies utilized by government and non-profit entities. The nature of the competitive bidding process for the rebates is such that they could first begin in fiscal year 2012-13. The amount of the rebates will drop off markedly in fiscal year 2014-15 since the primary funding source, the system benefit charge on electricity, is not reinstated and only alternative compliance payment funds would be available on an ongoing basis to support the rebate program. Any costs to the EMT associated with adopting rules to implement selection and qualification criteria for the competitive bids can be absorbed by the EMT within existing budgeted resources.