

MAINE STATE LEGISLATURE

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STATE OF MAINE
SENATE
110TH LEGISLATURE
FIRST REGULAR SESSION

(Filing No. S-255)

COMMITTEE AMENDMENT " A " to S.P. 489, L.D. 1390, Bill, "AN ACT to Create a Bond Issue for Energy Conservation and Conversion for Small Business."

Amend the bill by striking out everything after the enacting clause and inserting in its place the following:

'Sec. 1. 10 MRSA §863, sub-§2-C is enacted to read:

2-C. Energy conservation project. "Energy conservation project" means the purchase and installation of energy conservation equipment or facilities, including building modifications, with a calculated payback period of more than one year but less than 7 / ^{years,} The term does not include simple weatherization measures.

Sec. 2. 10 MRSA §863, sub-§9-A is enacted to read:

9-A. Small business. "Small business" means any business meeting the criteria in the United States Code, Title 15, Section 632.

Sec. 3. 10 MRSA §864, sub-§2-B is enacted to read:

2-B. Small business energy conservation loans. In the case of energy conservation projects, any small business is eligible to apply for a loan of up to \$10,000. The authority shall select these projects according to the following criteria:

A. The gross amount of energy saved by the project expressed in British Thermal Units, BTU's;

B. The ability of the project to serve as an educational demonstration for other similar businesses or industries;

C. The pattern of energy used within the facility and the overall dependence on energy for the conduct of business;

D. The simple payback of the project calculated as the annual energy cost savings divided into the project cost; and

E. The ability of the business or industry to generate capital from sources other than provided by this subsection.

~~←~~ The office of Energy Resources shall provide assistance to the authority in determining technical eligibility and merit of loan applications.

Each recipient of a loan under this subsection shall provide the authority, within one year, with detailed information on energy consumption before and after the completion of the energy conservation project. The authority shall issue an annual report to the Legislature on loans made under this subsection, the success of various energy saving techniques employed and the overall energy benefits achieved by the program. The office of Energy Resources shall assist the authority in preparing this report.

Sec. 4. 10 MRSA §866, sub-§4, first ¶, as enacted by PL 1977, c. 489, §12, is amended by adding at the end 2 new sentences to read:

The proceeds of each issue of revenue obligation securities may be used to make loans for small business energy conservation projects

JFR.

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as described in section 864, subsection 2-B. Administrative costs incurred by the authority under this program may be drawn from those proceeds.'

Statement of Fact

This amendment moves the program administrative responsibilities from the office of Energy/^{Resources} ^{Maine} to the /Guarantee Authority and clarifies the loan selection criteria. Also, the amendment establishes that energy conservation loans for small businesses will be made using proceeds from authorized Maine Guarantee Authority revenue obligation securities as opposed to creating a new bond issue as was originally proposed.

Reported by the Committee on Energy and Natural Resources.
Reproduced and distributed pursuant to Senate Rule 11-A.
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