

# MAINE STATE LEGISLATURE

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R. of S.

L.D. 371

(Filing No. H- 348)

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
116TH LEGISLATURE  
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 284, L.D. 371, Bill, "An Act to Amend the Laws Governing the Conversion of Fuel Systems"

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

Sec. 1. 30-A MRSA c. 201, sub-c. XII-A is enacted to read:

SUBCHAPTER XII-A

FUEL CONVERSION ASSISTANCE

§4981. Fuel Conversion Fund

1. Creation of fund. There is established the Fuel Conversion Fund, referred to in this subchapter as the "fund," to establish a program to assist low-income residential energy consumers in making conversions of electric space heating systems to systems employing other fuel sources. The fund is nonlapsing and is administered by the Maine State Housing Authority.

2. Sources of fund. The fund consists of the following:

A. All money appropriated or allocated to the fund, from whatever source;

B. Subject to any pledge, contract or other obligation, all interest, dividends or other pecuniary gains from investment of money in the fund;

C. Subject to any pledge, contract, fee or other obligation, any money that the Maine State Housing Authority receives in repayment of advances from the fund; and

**COMMITTEE AMENDMENT**

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D. Any other money available to and directed by the Maine State Housing Authority to be paid into the fund.

3. Division and application of fund. The Maine State Housing Authority may divide the fund into separate accounts as it determines necessary or convenient for carrying out the purposes of this subchapter. The fund is applied as provided in section 4982.

§4982. Use of funds

The Maine State Housing Authority may use the money in the fund as follows.

1. Loans. The Maine State Housing Authority may make loans to low-income residential consumers of electric energy to allow those consumers to undertake cost-effective investments in conversions of electric space heating systems to systems employing other fuel sources.

2. Grants. The Maine State Housing Authority may make grants to low-income residential consumers of electric energy to allow those consumers to undertake cost-effective conversions of electric space heating systems to systems employing other fuel sources.

3. Investment. Money in the fund not needed to meet the obligations of the authority under this subchapter may be invested by the Maine State Housing Authority in a manner permitted by law.

4. Administrative costs. Subject to any requirements or limitations under federal law governing the use of money in the fund, the Maine State Housing Authority may use up to 15% of the money in the fund to cover the costs of administering the fund.

§4983. Rules

The Maine State Housing Authority shall adopt rules to implement this subchapter, including rules that establish eligibility criteria for recipients of loans and repayment terms and eligibility criteria for recipients of grants.

Sec. 2. 35-A MRSA §3153-A, sub-§1, ¶F, as enacted by PL 1991, c. 253, §4, is amended to read:

F. As defined by the commission by rule, cost-effective conversions of electric space heat systems to systems relying on other fuels and other techniques for enabling low-income homeowners and tenants to replace on-peak, winter period electric usage with less expensive sources of heat; and

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**Sec. 3. Allocation.** The following funds are allocated from the Stripper Well Fund to carry out the purposes of this Act.

1993-94

**MAINE STATE HOUSING AUTHORITY**

All Other \$1,000,000

Provides for the allocation of the Stripper Well Fund to the Fuel Conversion Fund established in the Maine Revised Statutes, Title 30-A, section 4981 for the purposes of making grants or loans to low-income persons to aid in converting electric space heating systems to systems using other sources of fuel.

**FISCAL NOTE**

The Maine State Housing Authority will incur some minor additional costs to administer the Fuel Conversion Fund. The \$1,000,000 allocation of the Stripper Well Fund in fiscal year 1993-94 for loans and grants to low-income people and related administrative costs is subject to Department of Energy approval. If approval is not granted for these purposes, the Maine State Housing Authority will require additional General Fund appropriations. The exact amount can not be determined at this time.

The Governor's proposed supplemental budget may affect the availability of the Stripper Well Fund. This estimate of the fiscal impact may need to be adjusted based on final legislative actions on the supplemental budget.'

**STATEMENT OF FACT**

This amendment is the majority report of the Joint Standing Committee on Utilities.

The amendment strikes and replaces the bill.

The amendment establishes the Fuel Conversion Fund to be administered by the Maine State Housing Authority for the purposes of making grants and loans to low-income persons to undertake conversions of electric space heating systems to systems using other fuel sources. The amendment makes an allocation from the Stripper Well Fund to the Fuel Conversion Fund.

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COMMITTEE AMENDMENT "A" to H.P. 284, L.D. 371

2 The amendment also amends the Maine Revised Statutes, Title  
35-A, section 3153-A, subsection 1, paragraph F to make it clear  
4 that utility-proposed programs ordered by the Public Utilities  
Commission for fuel conversions should be directed at low-income  
6 homeowners and tenants.

8 The amendment also adds a fiscal note to the bill.

Reported by the Majority of the Committee on Utilities  
Reproduced and distributed under the direction of the Clerk of the  
House  
5/18/93 (Filing No. H-348)