MAINE STATE LEGISLATURE

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2	T.D. 1931
2	DATE: 3-28-06 (Filing No. S-523)
6	UTILITIES AND ENERGY
8	Reported by:
10	Reproduced and distributed under the direction of the Secretary of the Senate.
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14	STATE OF MAINE SENATE 122ND LEGISLATURE
16	SECOND REGULAR SESSION
18	COMMITTEE AMENDMENT " \mathcal{A} " to S.P. 731, L.D. 1931, Bill, "Ar
20	Act To Encourage Energy Independence for Maine"
22	Amend the bill by striking out all of sections 1, 2 and 3 and inserting in their place the following:
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26	'Sec. 1. 35-A MRSA §3211-A, sub-§2, ¶A, as enacted by PL 2001, c. 624, §4, is amended to read:
28	A. The commission shall consider, without limitation, conservation programs that:
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32	(1) Increase consumer awareness of cost-effective options for conserving energy;
34	(2) Create more favorable market conditions for the increased use of efficient products and services; and
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38	(3) Promote sustainable economic development and reduced environmental damager: and
40	(4) Reduce the price of electricity over time for all
42	consumers by achieving reductions in demand for electricity during peak use periods.

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Sec. 2. 35-A MRSA $\S 3211$ -A, sub- $\S 2$, $\P J$ is enacted to read:

J. The commission shall encourage school facility managers to complete an energy efficiency training and certification program established and conducted by the commission under this section. To the extent the commission determines necessary and appropriate to meet the goals of this paragraph, the commission may, in accordance with the requirements of this section, establish incentive mechanisms to encourage participation in this program. For purposes of this paragraph, "school facility managers" means persons employed by school administrative units in this State who are responsible for the design or operation of school administrative unit facilities or the heating, ventilation or air conditioning systems or equipment used in such facilities.

Further amend the bill by striking out all of sections 6 to 9 and inserting in their place the following:

'Sec. 6. 35-A MRSA §3211-A, sub-§11, ¶D is enacted to read:

D. The status of the progress towards meeting the goals of subsection 2, paragraph J and the strategies that have been implemented to meet those goals. The report also must include an accounting, to the extent available, of the energy savings that have been achieved by school administrative units after their school facility managers have been certified pursuant to subsection 2, paragraph J. A school administrative unit is not required to incur additional costs in order to supply information to the commission for its report.

Sec. 7. 35-A MRSA §3211-A, sub-§12 is enacted to read:

12. Independent analysis of programs. The commission shall arrange for an independent evaluation of each major program implemented under this section. Each major program must be evaluated at least once every 5 years. The evaluation must include an accounting audit of the program and an evaluation of the program's effectiveness in meeting the goals of this section. The evaluations must be conducted by a competent professional with expertise in energy efficiency matters, including the management of cost-effective energy efficiency programs. The commission shall include the results of all evaluations conducted under this subsection in the annual report submitted pursuant to subsection 11. For purposes of this subsection, "major program" means a program with an annual budget of more than \$500,000.

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Sec. 8. Public Utilities Commission Efficiency Maine program. The Public Utilities Commission shall develop a plan for using revenues from any increase in the assessment on transmission and distribution utilities pursuant to the Maine Revised Statutes, Title 35-A, section 3211-A, subsection 4. The plan must include a description of how the funds would contribute to the goals of increasing energy efficiency for program participants and reducing electricity prices for all consumers. The commission shall consider using funds resulting from any increased assessments to increase the per-business incentive cap imposed on large businesses under the business program established pursuant to Title 35-A, section 3211-A.

The commission shall submit its plan, together with any recommendations for increases in the assessment consistent with that plan and any suggested legislation to implement its recommendations to the joint standing committee of the Legislature having jurisdiction over utilities and energy matters by January 1, 2007. The joint standing committee may report out legislation regarding energy efficiency to the First Regular Session of the 123rd Legislature.

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- Sec. 9. Public Utilities Commission analysis of certain programs. By December 31, 2007, the Public Utilities Commission shall arrange for and complete in accordance with the Maine Revised Statutes, Title 35-A, section 3211-A, subsection 12 an independent evaluation of the following programs established by the commission pursuant to Title 35-A, section 3211-A: the business program, the low-income appliance replacement program and the residential lighting program.
- Sec. 10. Home heating. The Governor's Office of Energy Independence and Security in the Executive Department shall examine and submit a report concerning the state of home heating in Maine to the Joint Standing Committee on Utilities and Energy by November 30, 2006. The report must include recent trends in:
- 38 1. Total statewide and average Maine household annual consumption of heating energy by fuel type;

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- Prices, including taxes, fees and other charges assessed on home heating fuels sold in Maine;
- 3. Total statewide and average Maine household annual expenditures for home heating by fuel type;

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4. Policies and programs to reduce home heating bills currently employed in Maine and outside of Maine, including changes in the Low-income Home Energy Assistance Program to

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provide benefits to low-income persons whose heating costs are included in their rent;

- 5. The energy efficiency and cost of home heating equipment sold and used in Maine; and
- 6. The point of origin for energy sources used in home heating in Maine.'

Further amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

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SUMMARY

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This amendment accomplishes the following.

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- 1. It requires the Public Utilities Commission to encourage school facility managers to receive energy efficiency training under the commission's so-called "Efficiency Maine" program. It authorizes the commission to establish incentive mechanisms in order to encourage participation in this program. It also defines "school facility managers" to mean persons employed by school administrative units and responsible for the design or operation of school facilities or the heating, ventilation or air conditioning systems or equipment used in such facilities. It requires the commission to report annually on its progress in meeting these goals and, to the extent possible, on energy savings achieved as a result of such training;
- It amends the so-called "Efficiency Maine" program to require the commission to consider conservation programs that reduce peak demand. It also directs the commission to develop a plan for using revenues from any increase in the assessment on transmission and distribution utilities pursuant to the Maine Revised Statutes, Title 35-A, section 3211-A, subsection 4. It directs the commission to consider using funds resulting from any increased assessments to increase the per-business incentive cap The commission is required to imposed on large businesses. submit its plan, together with any recommendations for increases in the assessment consistent with that plan and any suggested legislation to implement its recommendations, to the joint standing committee of the Legislature having jurisdiction over utilities and energy matters by January 1, 2007. The joint standing committee is authorized to report out legislation on this matter to the First Regular Session of the 123rd Legislature.

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3. It removes those portions of the bill relating to adoption of the model energy building code, the development of a

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new compensation method for transmission and distribution utilities, standards for boilers and furnaces and the examination of fuel-saving tires; and

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4. It adds a provision requiring the Governor's Office of Energy Independence and Security in the Executive Department to compile a report on home heating issues.

FISCAL NOTE REQUIRED (See attached)

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COMMITTEE AMENDMENT



122nd MAINE LEGISLATURE

LD 1931

LR 2695(02)

An Act To Encourage Energy Independence for Maine

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

Fiscal Note

Minor cost increase - General Fund Minor cost increase - Other Special Revenue Funds

Fiscal Detail and Notes

The additional costs associated with this legislation can be absorbed by the Public Utilities Commission and the Office of Energy Independence and Security utilizing existing budgeted resources.