



# **123rd MAINE LEGISLATURE**

## **SECOND REGULAR SESSION-2008**

Legislative Document

No. 1942

H.P. 1376

House of Representatives, December 12, 2007

### An Act To Provide a Rebate for Clean Energy Geothermal Heating Units

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Received by the Clerk of the House on December 11, 2007. Referred to the Committee on Utilities and Energy pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

Millicent M. Mac Failand

MILLICENT M. MacFARLAND Clerk

Presented by Representative CARTER of Bethel. Cosponsored by Senator SHERMAN of Aroostook and Representatives: LUNDEEN of Mars Hill, MAREAN of Hollis, PIEH of Bremen, PIOTTI of Unity, PRATT of Eddington, Senator: NUTTING of Androscoggin.

#### 1 Be it enacted by the People of the State of Maine as follows:

2 Sec. 1. 35-A MRSA §3211-D is enacted to read:

#### 3 §3211-D. Geothermal energy rebate program; fund

1. Definitions. As used in this section, unless the context otherwise indicates,
"geothermal system" means a mechanism or series of mechanisms designed to heat air or
water by a method that extracts or converts the heat energy naturally occurring beneath
the earth's surface.

- 8 2. Geothermal energy rebate program. To the extent that funds are available in
   9 the fund established in subsection 3, an owner or tenant of residential or commercial
   10 property located in the State is entitled to a rebate for a geothermal system that is installed
   11 in accordance with this subsection after July 1, 2008 and connected to the electrical grid.
- A. A geothermal system designed to heat water qualifies for a rebate of 25% of the cost of the system, including installation, or \$1,250, whichever is less, if the system is installed by a licensed plumber who has been certified by the commission to install such systems or by a licensed plumber working in conjunction with a person who has been certified by the commission to install such systems.
- B. A geothermal system designed to heat air qualifies for a rebate of 25% of the cost
   of the system, including installation, or \$1,250, whichever is less.

In the case of a newly constructed residence, the rebate must be available to the original
 owner or occupant.

21 3. Funding level; fund. The commission shall assess transmission and distribution 22 utilities to collect funds for the geothermal energy rebate program in accordance with this 23 subsection. The amount of all assessments by the commission under this subsection must 24 result in total program expenditures by each transmission and distribution utility that do 25 not exceed 0.005 cent per kilowatt-hour. To the extent practicable, the commission shall 26 establish and collect the assessment in a manner that is consistent with the assessment 27 made under section 3211-A. The commission shall establish a geothermal energy rebate 28 program fund to be used solely for the purposes of this section. All assessments made 29 under this subsection must be deposited in the fund. Any interest on funds in the fund 30 must be credited to the fund. Funds not spent in any fiscal year remain in the fund to be 31 used for the purposes of this section.

4. Rules. The commission shall adopt rules necessary to implement the provisions
 of this section, including procedures and standards for demonstrating qualification for a
 rebate under this section. Rules adopted under this subsection are routine technical rules
 as defined in Title 5, chapter 375, subchapter 2-A.

36 5. Report. The commission shall report by December 1st of each year to the joint
 37 standing committee of the Legislature having jurisdiction over utilities and energy
 38 matters a description of actions taken by the commission pursuant to this section during
 39 the prior 12 months.

<u>6. Limitation to residents of State.</u> Participation in the geothermal energy rebate
 program and fund established in this section is limited to residents of the State.

Sec. 2. Standards. The Public Utilities Commission in establishing procedures and standards for demonstrating qualification for a rebate under the Maine Revised Statutes, Title 35-A, section 3211-D shall allow a person to demonstrate the date a system was installed by the date of a net metering arrangement with a transmission and distribution utility or a dated bill of sale for the system.

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#### SUMMARY

9 This bill provides for rebates for the installation of geothermal heating systems for 10 residential or commercial property owners or tenants.