

MAINE STATE LEGISLATURE

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123rd MAINE LEGISLATURE

SECOND REGULAR SESSION-2008

Legislative Document

No. 2266

S.P. 893

March 20, 2008

An Act To Promote Municipal Wind Generation Development

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

Reference to the Committee on Utilities and Energy suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator MARTIN of Aroostook.
Cosponsored by Representative BLISS of South Portland and Senator: BARTLETT of
Cumberland.

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

2 **Sec. 1. 5 MRSA §1764, sub-§3, ¶D,** as repealed and replaced by PL 1977, c.
3 563, §2, is amended to read:

4 D. The variable occupancy and operating conditions of the facility and subportions
5 of the facility; and

6 **Sec. 2. 5 MRSA §1764, sub-§3, ¶E,** as amended by PL 1997, c. 541, §2, is
7 further amended to read:

8 E. Energy consumption analysis of the major equipment of the facility's heating,
9 ventilating and cooling system, lighting system, hot water system and all other major
10 energy-consuming equipment and systems as appropriate. This analysis must include:

11 (1) The comparison of alternative systems;

12 (2) A projection of the annual energy consumption of major energy-consuming
13 equipment and systems for a range of operations of the facility over the life of the
14 facility; and

15 (3) The evaluation of the energy consumption of component equipment in each
16 system, considering operation of the components at other than full or rated
17 outputs; and

18 **Sec. 3. 5 MRSA §1764, sub-§3, ¶F** is enacted to read:

19 F. The cost-effectiveness of integrating wind or solar electricity generating
20 equipment into the design and construction of the facility.

21 **Sec. 4. 5 MRSA §3327, sub-§7** is enacted to read:

22 7. Wind and other energy planning assistance for municipalities and
23 electrification cooperatives. The council shall develop information resources and
24 coordinate the activities of member agencies to assist the State's political subdivisions and
25 rural electrification cooperatives to develop, design, construct, install and finance wind
26 and other renewable electricity generation projects to the extent possible using available
27 financing incentives under federal and state law. The council shall form an advisory
28 group of persons with relevant expertise and experience to advise the council in
29 undertaking its responsibilities under this subsection. In its annual report submitted
30 pursuant to subsection 4, the council shall describe its activities pursuant to this
31 subsection.

32 **Sec. 5. 5 MRSA §3327, sub-§8** is enacted to read:

33 8. Wind and other energy planning assistance for state agencies. The council
34 shall coordinate the activities of member agencies to assist the Department of
35 Administrative and Financial Services, Bureau of General Services in identifying and
36 planning for the construction of wind and other renewable electricity generation projects
37 to be located at buildings or public works now owned or leased or constructed, acquired
38 or leased by the State or any department, office, board, commission or agency of the State

1 for the purpose of providing all or a portion of the electricity needs of such state facilities.
2 The council shall assist the Department of Administrative and Financial Services in
3 developing proposals for the development of such projects to be financed from money
4 borrowed by the State to the extent possible using available financing incentives under
5 federal law. The council shall form an advisory group of persons with relevant expertise
6 and experience to advise the council in undertaking its responsibilities under this
7 subsection. In its annual report submitted pursuant to subsection 4, the council shall
8 describe its activities pursuant to this subsection.

9 **Sec. 6. 30-A MRSA §5401, sub-§3, ¶B**, as enacted by PL 1987, c. 737, Pt. A, §2
10 and Pt. C, §106 and amended by PL 1989, c. 6; c. 9, §2; and c. 104, Pt. C, §§8 and 10, is
11 further amended to read:

12 B. An "energy generating system project," as defined in Title 10, section 963-A,
13 subsection 13; or

14 **Sec. 7. 30-A MRSA §5401, sub-§3, ¶C**, as enacted by PL 1987, c. 737, Pt. A, §2
15 and Pt. C, §106 and amended by PL 1989, c. 6; c. 9, §2; and c. 104, Pt. C, §§8 and 10, is
16 further amended to read:

17 C. A hydroelectric power facility; or

18 **Sec. 8. 30-A MRSA §5401, sub-§3, ¶D** is enacted to read:

19 D. A "qualified project" as defined in the United States Internal Revenue Code, 26
20 United States Code, Section 54(d)(2)(A) (2007).

21 **Sec. 9. 35-A MRSA §3403, sub-§3** is enacted to read:

22 **3. Assist political subdivisions and agencies.** The commission shall monitor
23 developments in technology and in state and federal law to determine whether
24 opportunities are available for the development of wind energy resources by the State's
25 political subdivisions and agencies and by rural electrification cooperatives and shall
26 regularly advise the Energy Resources Council, established under Title 5, section 3327,
27 of its findings.

28 **Sec. 10. 35-A MRSA §3404**, as enacted by PL 2005, c. 646, §4, is amended by
29 adding at the end a new paragraph to read:

30 It is the further policy of the State that its political subdivisions and agencies be
31 encouraged to develop and own cost-effective wind energy projects that benefit the
32 citizens of the State.

33 **Sec. 11. 35-A MRSA §3751, sub-§4**, as enacted by PL 1987, c. 141, Pt. A, §6, is
34 amended to read:

35 **4. Use of electricity.** Generate, manufacture, purchase, acquire, accumulate and
36 transmit electricity, and distribute, sell, supply and dispose of electricity and electricity
37 products to its members and to wholesale purchasers. For the purposes of this subsection,

1 "electricity products" includes capacity, energy, renewable energy credits and any other
2 attributes or ancillary aspects of the generation, transmission or distribution of electricity;

3 **Sec. 12. 35-A MRSA §3908, sub-§2**, as enacted by PL 1987, c. 141, Pt. A, §6, is
4 repealed and the following enacted in its place:

5 **2. Electricity products.** Generate, manufacture, purchase, acquire, accumulate,
6 transmit, distribute, sell, supply and dispose of electricity and electricity products:

7 A. To individuals and corporations within the district;

8 B. To individuals and corporations outside the district; and

9 C. Through wholesale transactions.

10 For the purposes of this subsection, "electricity products" includes capacity, energy,
11 renewable energy credits and any other attributes or ancillary aspects of the generation,
12 transmission or distribution of electricity;

13 **Sec. 13. 35-A MRSA §3908, sub-§5**, as enacted by PL 1987, c. 141, Pt. A, §6, is
14 amended to read:

15 **5. Contract.** Contract and be contracted with. A district may contract with a private
16 entity to assist in any phase of development, construction and operation of wind
17 generation;

18 SUMMARY

19 This bill encourages and enables the development and ownership of cost-effective
20 wind energy projects by the State's political subdivisions and agencies and by rural
21 electrification cooperatives for the benefit of Maine's citizens.

22 It expands the duties of the Energy Resources Council under the Maine Revised
23 Statutes, Title 5, section 3327 to coordinate the activities of member agencies to assist the
24 State's political subdivisions, state agencies and rural electrification cooperatives in
25 developing wind and other projects, including using available federal loan subsidies.

26 It expands the scope of the life-cycle cost analysis under the Energy Conservation in
27 Buildings Act to include a review of the potential incorporation of wind and solar
28 electricity generating equipment into public facilities.

29 It amends the laws governing revenue-producing municipal facilities to include any
30 qualified project under the United States Internal Revenue Code, Section 54. It ensures
31 that municipalities may take advantage of favorable treatment in developing and
32 financing revenue-producing projects under this bill.

33 It amends provisions of the Maine Wind Energy Act to establish a state policy
34 favoring development of cost-effective wind energy resources by municipalities and by
35 the State for the benefit of Maine's citizens. It further directs the Public Utilities
36 Commission to monitor legal and technological developments that may affect the

1 potential for development of wind power and to regularly advise the Energy Resources
2 Council of its findings.

3 It expands the authority of municipal electric districts and rural electrification
4 cooperatives to allow them to sell energy to wholesale customers.