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STATE OF MAINE

ONE HUNDRED AND EIGHTH LEGISLATURE

COMMITTEE ON ENERGY

March 21, 1978

Representative John L. Martin, Chairman
Legislative Council
State House
Augusta, Maine 04333

Dear Speaker Martin,

In accordance with the directive of the Legislative Council directing the Committee on Energy to study the Energy Policy Statement For Maine, we enclose herein the final report of the Committee.

Respectfully submitted,

Howard M. Trotzky
Senate Chairman

Richard S. Davies
House Chairman

REPORT OF THE COMMITTEE ON ENERGY ON ITS STUDY OF THE ENERGY POLICY STATEMENT FOR MAINE

Senate

Howard M. Trotzky
Andrew J. Redmond
Robert M. Farley

House

Richard S. Davies
Lawrence J. Connolly
John W. Jensen
Harry F. Rideout
Robert S. Howe
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Glen W. Torrey
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Legislative Assistants

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I. Introduction

The Joint Standing Committee on Energy of the Maine Legislature, pursuant to Study Order H.P. 1803, undertook a study of the State of Maine Energy Policy Statement. The Committee was directed "to determine the causes of legislative action that are necessary to implement the plan."

The State of Maine Energy Policy Statement, promulgated by Governor James B. Longley, delineates the following 4 goals:

1. Reduction/elimination of processes that waste energy

2. Encourage the development of native, renewable energy resources

3. Insure an adequate supply of energy to be equitably allocated and distributed

4. Diversify the energy supply base.

The Energy Policy Statement is a major research undertaking. Many of the recommendations proposed in the Statement to achieve the goals were beyond the time constraints and research capability of the Committee.

In order to implement the Study Order, the Committee on Energy narrowed the scope of the study to alternative energy systems and conservation programs that offer the greatest potential for Maine. The Committee held two public hearings. One hearing pertained to wood and solar energy, and the second hearing pertained to small site generation of hydroelectric power and public transportation.

II. Findings and Recommendings

General Findings

1. Maine and the New England region, in general, are in a very precarious position with respect to the availability and cost of energy. According to the Congressional Office of Technology Assessment, the United States has approximately 14 years of domestic petroleum supplies at current consumption and import levels. Middle East oil reserves have been estimated to be sufficient to meet world demand for a 25-40 year period. Roughly 85 percent of the energy used by the New England region is derived from oil, and 80 percent of the petroleum consumed in Maine is derived from foreign sources. As the supply of oil declines, the cost will rise, and the New England region, in particular will be very adversely affected.

2. While domestic and world oil supplies are decreasing, petroleum consumption in Maine is increasing. Between 1975 and 1976, total petroleum consumption in Maine increased 6 percent. Increased oil consumption in Maine has been primarily oil used for residential heating and, to a lesser extent, for the generation of electricity. Residential heating and electricity have been two types of oil usage for which alternate sources of energy have been limited or unacceptable to many citizens of the State. The greatest increase occurred in distillate oil usage which rose 9 percent. Distillate oil comprises 30 percent of total petroleum consumption in the State. Residual oil utilized primarily by electric utilities and industry rose 3 percent between 1975 and 1976.

3. There are few energy alternatives available at the present time that have a sufficient, long term, inexpensive supply of fuel and a technology that can be utilized without endangering the public.

4. Wood energy, hydroelectric power, and solar energy offer Maine residents viable alternatives to oil for heat and electricity. Hydroelectric power, direct thermal solar energy, and wood energy cannot, each by themselves, replace oil as a source of energy, but together they can significantly reduce Maine's dependence upon oil. For example, at the present time hydroelectric power comprises 7 percent of total energy consumption in Maine and 24 percent of electricity generation in the State. The potential of small scale hydroelectric facilities for Maine is very significant. The net energy potential in Maine for surplus wood has been estimated to be 6,513 MWHR. Total electricity generation in Maine is roughly 8,000 MWHR.

5. The most feasible energy alternatives for Maine are alternatives that the federal government does not encourage or promote to any significant degree. Wood energy is not considered by the Department of Energy as a viable energy resource for the nation. As a result, the federal government is not experimenting with or promoting wood energy. The 1977, 78 ERDA budget proposed that 3.4 percent of its non-military research and development budget be expended on solar energy. The remainder will be expended on nuclear and coal energy. The federal government does provide low cost loans for retrofitting dams, but the technology of hydroelectric power frightens many people. As a result, small scale hydroelectric power has not developed significantly under this program.

6. The transportation system of Maine and the nation have become dependent upon highways. Since Maine is a rural state, the private automobile has become the basis of transportation within the State. For many reasons, the private automobile has made public or mass transportation unattractive, and the success of public transportation has been very limited.

7. Despite the dependence of Maine residents upon private automobiles, the greatest energy conservation potential is in the area of transportation. Alternatives to the private automobile already exist and do not require new and complex technology. In addition, the alternatives have the potential to produce substantial energy savings. In Maine, motor gasoline consumption comprises 31 percent of total petroleum consumption in the State.

8. The State, by means of limited subsidies, tax incentives, statutory revision, and other resources can promote the use of alternative energy resources and energy conservation, and thereby significantly reduce the State's dependence upon petroleum.

9. In many cases, the public is not sufficiently aware of alternative energy systems and the means by which these systems can be placed in operation. By promoting the initial development of different energy systems in the State, the State will encourage greater development of alternative energy systems.

Recommendations

1. In order to encourage the use of wood heat, the State is well advised to provide purchases of wood stoves with suggested guidelines for the safe installation of wood stoves. One of the greatest dangers associated with wood stoves is faulty installation which is responsible for most wood stove fires and catastrophes. Wood stove installation guidelines could reduce the danger of fire and thereby encourage the public to increase its use of wood heat.

2. Another measure to encourage the use of wood heat in Maine is to subject wood furnace and boilers that are designed specifically to be attached to a central heating distribution system to structural standards. By requiring central heating wood furnace/boiler systems to meet structural standards in a manner similar to that for oil burner and heating equipment, public safety will be increased. As a result the public will be further encouraged to adopt wood heat.

3. Since one of the most feasible systems of direct thermal solar energy is solar hot water heating which has received only limited acceptance in Maine, limited state subsidies will promote the development of this energy system in Maine. The investment cost of the "average" residential solar hot water heating system is roughly $1500, and commercial and industrial systems are significantly more costly. Limited subsidies to establish a demonstration program will serve to educate the public about the feasibility of solar hot water heating.

4. The generation of hydroelectric power by persons or firms which do not have the capacity to distribute and retail electricity subjects these power producers to monopoly power purchases. In many cases, the rates offered non-utility producers of electric power discourage these producers from operating. If the Public Utilities Commission is empowered to review and set rates for power sold by non-utilities to utilities, the development of hydroelectric power in Maine will be significantly encouraged.

5. In order to encourage the public to conserve energy by means of insulating residences, the State is well advised to protect the public from transient and unethical insulation contractors. By requiring written insulation contracts with specific information and by enforcing contracts through the Unfair Trade Practices Act, the State will encourage the public to conserve energy through insulating dwellings.

6. In order to encourage the public to insulate dwellings and other buildings, it is necessary to protect the public from hazardous and flammable insulation. By requiring all celulose fiber insulation sold in Maine to meet Class I regulations of the General Services Administration, the public safety and welfare will be protected.

7. A public transportation demonstration project involving state employees would not only promote the development of alternate energy-efficient transportation systems in the State, it would also produce considerable energy savings. The Office of Energy Resources in conjunction with the Department of Transportation should study the feasibility of a state sponsored vanpool system or minibus system for state employees and/or other users living in municipalities around Augusta and commuting to and from Augusta each day. The State would make the initial investment and State employees and other users, if any, would pay all operating and capital costs through user fees. The Office of Energy Resources should report its findings and any necessary implementing legislation to the 109th Legislature via the Governor's call or to the Energy Committee of the Legislature.

8. There are many energy alternatives and conservation measures that need further study. The use of coal, wind power and public transportation, in particular, are very significant and require comprehensive study to determine their applicability to Maine.

III. Background

Petroleum constitutes, by far, the major source of energy consumed in Maine. According to the United States Department of Commerce, 85 percent of the energy consumed in New England and 71 percent of the energy consumed in Maine is derived from oil. Approximately 80 percent of the petroleum consumed in New England is derived from foreign sources. In 1976, 64 percent of the oil consumed in the State was derived from OPEC nations.

Consumption of oil in New England is equitably divided between 3 major types of petroleum. Of the total volume of petroleum consumed in 1976, 29.7 percent was residual oil, 29.0 percent was distillate, and 31.5 percent was motor gasoline. Residual oil is primarily used by industry and electric utilities. Distillate oil is primarily used for residential and commercial heating.

As New England and the nation have become more dependent upon imported petroleum, the world supply of petroleum is declining. Statistical data compiled by the Congressional Office of Technology Assessment indicates that domestic oil supplies are sufficient for a 14 year period at present consumption and import rates. Furthermore, Middle Eastern oil reserves are estimated to be sufficient for roughly 25 years.

Despite the declining supply of world oil reserves, New England's consumption of petroleum has increased. For example, between 1975 and 1976, the region's consumption of petroleum increased 6 percent. The greatest increase occurred in the consumption of distillate oil which rose 9 percent followed by increased consumption of motor gasoline which rose 4 percent between 1975 and 1976. Residual fuel consumption increased 2.5 percent between 1975 and 1976.

In order for the State of Maine to survive a sudden shortage of petroleum (e.g., Arab embargo) and the eventual unavailability of oil, it is necessary to develop alternate energy systems. Electric utilities in Maine have significantly reduced their dependence upon petroleum. Between 1973 and 1976, residual oil consumption in Maine fell 26 percent. While industry utilizes residual oil, electric utilities are the largest users. At the present time, nuclear fuel comprises 56 percent of total fuel used to generate electricity. Hydro power comprises 23 percent and oil comprises 11 percent of total fuel used to generate in Maine.

Unlike electricity generation from residual fuel, distillate oil and motor gasoline have not been replaced to any significant degree by substitutes or alternate energy resources. Consumption of motor gasoline in 1976, for example, was 2 percent greater than in 1973 which is the peak year for total petroleum consumption in the state.

Viable alternatives to distillate fuels and private automobiles exist for Maine residents. The technology and equipment for wood heat, direct solar thermal energy, hydroelectric power, and public transportation are available for immediate implementation. In order to promote the use of alternate energy systems, the 108th Legislature, in 1977, enacted legislation to provide sales tax and property tax exemptions for solar energy systems for limited time periods. The legislature, however, has not enacted similar legislation for other energy systems.

Solar energy, wood energy, hydroelectric power, and public transportation which have significant potential in Maine do not receive any significant federal support. Solar energy, for example, comprises only 3.4 percent ($115,600,000) of the total energy budget of the nation. Roughly 65 percent of the total energy budget or $2.2 billion is devoted to nuclear power, coal conversion, and shale oil production.

While limited federal support of solar energy has been responsible, in part, for the limited implementation and development of solar energy systems in Maine and the nation, "overcommercialization" of the solar industry has also adversely affected the industry. The solar industry, according to John Germond of the New England Solar Energy Center (NESEC), a regional office to coordinate and fund solar energy technology, needs performance standards, guarantees, qualified local service personnel, etc., which are presently required of oil and gas heating equipment. The public is confused by the vast number of different solar technologies that are now available.

The federal government may provide $14,000,000 to NESEC to fund solar energy technology, and Maine may receive as much as $1,000,000 of this appropriation. Although the federal government is funding limited research in solar technology, it is necessary to promote the implementation of existing technology. Solar space heating systems and solar hot water heating systems can provide substantial energy. For example, a ranch house occupied by 4 people and measuring 25'X42' requires 3 panels for water heating and 13 panels for space heating. Residential solar hot water heating systems range in price from $1,500 to $3,000 During the winter months, solar energy can heat water up to 90°, and during the summer months, solar energy can heat water up to 160°.

Commercial solar hot water heating systems are much more expensive. For example, a 12 panel system capable of heating 25,000 gallons of water per month to temperatures required by restaurants cost between $8,000 and $15,000.

While solar energy has great potential in Maine, wood energy is probably the most feasible immediate energy alternative. In Maine, there are 17 acres of forestland for every person residing in the state. It has been estimated that surplus wood is capable of producing nearly as much electricity per year as presently consumed. Biomass conversion as well as the use of wood chips and residues are already producing energy in Maine.

The greatest obstacle to the development of wood energy in Maine is an efficient wood marketing system. Wood sellers in the State do not have large inventories on hand or the equipment to handle larger inventories to meet demand. In addition, the public is required to find wood sellers or forestland owners who are willing to sell harvested wood or stumpage. The wood seller or forestland owner therefore, is not readily accessible.

Small site hydroelectric power is an energy alternative that has not been developed to any significant extent in Maine. Estimates range between 800 and 1600 potential dam sites that could be developed in the State. The power production potential of the hydroelectric power, however, has not been estimated. Nevertheless, it is believed that hydropower can play a significant role in Maine. Although there may be as many as 1600 dam sites in Maine, the development of one site will prevent the development of others. As a result, the full potential of every site can never be realized.

Two obstacles exist to small site development of hydroelectric power. One obstacle is the market for hydroelectric power which is limited to electric utilities. Since electric utilities possess a monopoly with respect to the distribution of power, owners of small site dams are limited to one market for the sale of excess hydroelectric power. The utilities have the ability to set the rate at which the utility will purchase the power. In some cases, the rate discourages the production and sale of hydropower at these dams.

The second obstacle pertains to the Neglected Dams Act which empowers the Soil and Water Conservation Commission to establish water levels for bodies of water impounded by dams. The purpose of the act is to maintain water levels to protect littoral proprietors and to preserve the recreational facilities afforded by the body of water, and to maintain the natural resource. Since the Neglected Dams Act seeks to establish stable water levels and since hydroelectric power dams often create fluctuating levels in storage ponds, this act could significantly reduce the potential of hydroelectric power in the State. This issue is very complex and needs much further study.

Despite the feasibility of hydroelectric power development in the State, very little development is occurring. Part of the reason is the technology that frightens many people. Most people associate hydroelectric dam technology with such large scale facilities as Hoover and Grand Coulee dams. As a result, very few people attempt to develop or retrofit dams.

The Department of energy offers low interest rate loans for retrofitting dams, but this is not a very effective incentive. The loans are available for retrofitting (rebuilding existing) dams but not for new dams.

The potential of hydroelectric power in Maine is illustrated in the following two examples. An individual, Larry Gleason, is developing a number of small site dams. He has found 100 sites that local utilities can develop. In addition, he has leased

Table I*
Equivalent Prices of Different Fuels at Which Each Fuel is Competitive with Oil and Other Fuels

TYPE OF FUEL	#2 OIL 50¢ PER GALLON	#2 OIL 55¢ PER GALLON	#2 OIL 60¢ PER GALLON	#2 OIL 65¢ PER GALLON	#2 OIL 70¢ PER GALLON	#2 OIL 75¢ PER GALLON	#2 OIL 80¢ PER GALLON	#2 OIL 85¢ PER GALLON	#2 OIL 90¢ PER GALLON	#2 OIL 95¢ PER GALLON	#2 OIL $1.00 PER GALLON
Maximum Cost of Soft Wood per cord to be competitive with oil	$40 per Cord	$45 per Cord	$49 per Cord	$54 per Cord	$59 per Cord	$63 per Cord	$67 per Cord	$71 per Cord	$76 per Cord	$80.50 per Cord	$85 per Cord
Maximum Cost of Mixed hardwoods to be competitive with oil	$60 per Cord	$67 per Cord	$75 per Cord	$82 per Cord	$89 per Cord	$97 per Cord	$105 per Cord	$112.50 per Cord	$120 per Cord	$128 per Cord	$132 per Cord
Maximum Cost of Select Hardwoods to be Competitive with oil	$80 per Cord	$90 per Cord	$100 per Cord	$109 per Cord	$118 per Cord	$129 per Cord	$140 per Cord	$150 per Cord	$160 per Cord	$168 per Cord	$176 per Cord
Maximum Cost of Electricity per KWH to be competitive with oil	1.6¢ per KWH	1.8¢ per KWH	2.0¢ per KWH	2.2¢ per KWH	2.4¢ per KWH	2.6¢ per KWH	2.75¢ per KWH	3.0¢ per KWH	3.2¢ per KWH	3.25¢ per KWH	3.5¢ per KWH
Maximum Cost of Natural Gas per 1000 cubic ft. to be competitive with oil	4¢ per 1000 cu. ft.	4.5¢ per KWH	5¢ per 1,000 cu. ft.	5.4¢ per KWH	5.8¢ per 1000 cu. ft.	6.25¢ per 1000 cu. ft.	6.75¢ per 1000 cu. ft.	7.25¢ per 1000 cu. ft.	7.75¢ per 1000 cu. ft.	8.25¢ per 1000 cu. ft.	8.75¢ per 1000 cu. ft.
Maximum Cost of Coal per ton to be competitive with oil	$25 per Ton	$27.50 per Ton	$30 per Ton	$32.50 per KWH	$35 per Ton	$38 per Ton	$41 per Ton	$43.50 per Ton	$46 per Ton	$49 per Ton	$52 per Ton

Assumptions and Definitions

1. Drywood=8000 BTU per pound
2. Oil=140,000 BTU per gallon
3. Natural gas=1000 BTU per cubic foot
4. Coal=22,000,000 BTU per ton
5. Electricity=3413 BTU/per KWH
6. Softwood=pine, fir, spruce
7. Mixed hardwoods=beech, birch, sugar maple, red oak
8. Select hardwood=white oak hickory
9. Drywood fuel=50% efficient
10. Oil fuel=70% efficient
11. Natural gas=80% efficient
12. Coal=60% efficient
13. Electricity=95% efficient

* prepared by Richard Darling, Office of Energy Resources

8 dams and is making arrangements to lease several more.

The Kennebunk Light and Power Company, owned and operated by the town of Kennebunk, is generating 12 percent of its electricity needs from hydropower. The company is planning to increase this figure to 20 percent.

Hydroelectric power therefore, offers potential as an energy alternative for industry, municipalities, and individuals with access to dam sites. Hydroelectric power for baseload production of Maine utilities, however, is not feasible to any significant extent. If the maximum potential of hydroelectric power production can be developed in Maine as described in the Federal Power Commission Report of 1974, the 60 percent increase in electrical power generated by the hydroelectric power facilities would be less than half of the 125 percent increase in electric power that occurred between 1965 and 1973 in Maine.

Although energy alternatives to oil are necessary, energy conservation is also necessary. In Maine, motor gasoline comprises the single largest use of petroleum. Motor gasoline consumption is greater today in Maine than it was in 1973 when petroleum consumption peaked in the U.S..

Since World War II, the nation's transportation system has become dependent upon highways. The private automobile has made public transportation unacceptable to many people. They are willing to pay more to operate private automobiles in order to enjoy the independence and efficiency of this form of transportation than utilize public transportation.

Public transportation includes not only bus, train, and air travel, it also includes car and van pooling. In Minnesota, Tennessee, and California for example, van pools have been very successful. In California, van pooling has been estimated to have conserved 9,000,000 gallons of fuel in the past 3 years. In Tennessee, the Tennessee Valley Authority owns the vans, and the users pay all operating costs. Van drivers are allowed free use of the vans on weekends. Similar programs exist in other states.

In Maine, public transportation is available in the three largest cities of the State, Portland, Lewiston, and Bangor. In addition, two independent, private non-profit corporations provide bus transportation in the Western Maine counties of Androscoggin, Franklin, and Oxford counties and in the county of Cumberland. Six other social service transportation programs are operated by specific organizations. They are made available only to special groups such as the elderly, low income, and handicapped.

In general, public transportation has a poor image. It often operates on limited schedules, provides slow service, charges high fares, and provides service for a very small number of people with no transportation alternatives. In order for public transportation to be successful, it must be efficient, and provide comprehensive service at reasonable rates. The most successful public transportation ventures in Maine provide service in specific geographical regions and the service is based upon the transportation needs of the public. In a number of cases the service is "customized" for specific groups.

The successful public transportation systems in Maine do not provide comprehensive service throughout an entire region on a specific schedule throughout the day which characterizes many urban transit systems. The Western Maine Transportation Company, for example, provides service in Androscoggin, Franklin, and Oxford Counties. The company has contracted local industry and provides bus service for employees to and from their place of work. In addition, the company provides service to Head Start and day care centers and to part of the Lewiston school district at 40 percent less cost than it costs the City of Lewiston to provide the service. The company is also planning to provide service to local ski areas.

Another successful public transportation venture is one operated by the municipalities of Biddeford, Saco, and Old Orchard. The three communities cooperated in the winter of 1976-77 to maintain public transportation when the Biddeford-Saco Bus Lines petitioned to go out of business. The three communities conducted a study of the transportation schedules and needs of area residents; purchased new, smaller, and more fuel efficient mini busses, and actively promoted and advertised the service. Within three months from the time the transportation study was initiated, the number of users of the new tri-community service doubled. From roughly 2000 users per month, the number of users of the new service increased to 5800 and 13,000 per month during the summer months. Although tourists account for the great increase in the number of users, nevertheless, the number of users of the system in "off-season" months has more than doubled.

Other successful public transportation ventures in Maine include industry operated systems. For example, Bath Iron Works and nearly all fish processing plants in Maine provide bus service for employees to and from their place of work. In general, the service is used by a large number of employees.

In order for public transportation to be successful, it must be innovative and it must meet the schedules and needs of the population that it serves. As a result, regional or local service may be more viable than statewide or a very large regional service which cannot be as flexible as smaller systems. In addition, public transportation systems that are subject to public regulation may not be as flexible, adaptable, or innovative as compared to unregulated systems. Regulated systems are often required to provide regularly scheduled service throughout the entire area and at all times during the day which incurs high cost and limited use.

IV. Conclusion

In general, alternate energy systems and public transportation systems that best fit Maine's needs are not actively promoted by the federal government. The Department of Energy focuses primarily on nuclear power, coal conversion, and shale oil extraction research. Solar energy, wood energy, hydroelectric power, and public transportation do not receive significant financial support or other forms of encouragement from the federal government. As a result, the State of Maine must encourage the development of these energy and energy conserving systems in order to prepare the State for the eventual depletion of oil.

The Committee on energy has proposed legislation to the Second Regular Session of the 108th Legislature to encourage the adoption of alternate energy systems. Although the legislation will not resolve the State's energy problems, it will encourage the use of alternate energy resources and thereby reduce the State's dependence upon oil.

Table I provides equivalent prices at which different fuels are competitive with each other. The prices are based upon the number of British Thermal Units of energy produced by each fuel. The equivalents do not reflect individual usage of fuel. For exemple, electric heat can be controlled to the extent that individual room temperatures can be thermostatically set at any temperature. Wood stoves operating as space heaters use significantly less wood than central heating wood furnaces. As a result, the prices in the table may not reflect the actual equivalent cost according to individual usage.

APPENDIX A

STUDY ORDER AND THE

GOVERNOR'S ENERGY POLICY STATEMENT

STATE OF MAINE

In House

Whereas, the State of Maine in the years ahead, will face a serious problem in both the stable supply and price of conventional energy resources; and

Whereas, there is a need for Maine to encourage the development of clean and renewable alternate sources of energy; and

Whereas, the Maine Executive Department on April 25, 1977 promulgated a State of Maine Energy Policy which outlines goals and objectives for Maine's energy future; and

Whereas, several objectives of the Maine Energy Policy require enabling legislation in order to be implemented; now, therefore, be it

Ordered, the Senate concurring, that the Joint Standing Committee on Energy shall study the State of Maine Energy Policy Statement and shall determine the courses of legislative action that are necessary to implement the plan; and be it further

Ordered, that the Office of Energy Resources, State Planning Office, State Development Office, Department of Conservation, Public Utilities Commission, State Housing Authority, Department of Transportation and the Bureau of Public Improvements are requested to assist the committee in its study; and be it further

Ordered, that the committee shall complete this study no later than December 1, 1977 and submit to the Legislative Council within the same time period its findings and recommendations, including copies of any recommended legislation in final draft form; and be it further

D. OF R.

Ordered, upon passage in concurrence, that a suitable copy of this order shall be forwarded to members of the committee and to the appropriate state agencies.

HOUSE OF REPRESENTATIVES
READ [redacted]
AND PASSED [redacted]
JUL 7 1977
SENT UP FOR CONCURRENCE
Edwin H. Pert
ORDERED SENT FORTHWITH CLERK

74-62 mef

IN SENATE CHAMBER
TABLED BY SEN. SEN. SPEERS OF KENNEBEC
OF
JUL 7 1977
PENDING Passage
MAY M. ROSS, Secretary

IN SENATE
TAKEN FROM TABLE ON MOTION
BY SEN. SPEERS OF KENNEBEC AND ON FURTHER
JUL 11 1977
MOTION BY SEN. SPEERS
INDEFINITELY POSTPONED
IN NON CONCURRENCE
SENT DOWN FOR CONCURRENCE
Ordered sent forthwith

NAME: (Davies) Richard Davies
TOWN: Orono

Cosponsor:
NAME: (S. Huber) S. Huber
TOWN: Falmouth

HOUSE OF REPRESENTATIVES
UNDER SUSPENSION OF RULES
HOUSE RECEDED & CONCURRED
JUL 11 1977
Edwin H. Pert
CLERK

HP1803

STATE OF MAINE
OFFICE OF THE GOVERNOR
AUGUSTA, MAINE
04333

JAMES B. LONGLEY
GOVERNOR

April 25, 1977

STATE OF MAINE ENERGY POLICY - Promulgation of

The crisis situation which was brought on by the Arab oil embargo of 1973-74, gave most Americans their first realization that the nation and the world were facing severe energy problems. During that period, much was said about a national energy policy and energy independence for the United States. When the embargo was lifted and oil became readily available again, public attention turned away from energy and, once the economic effects of rising energy prices had been absorbed by the overall economic system, many people went back to energy wasteful practices.

The recent energy shortages of this past winter have again focused public attention on the energy issue and President Carter just yesterday announced a National Energy Policy outline for the country as a whole. As a corollary to and refinement of that National Policy, we have prepared an energy policy statement for Maine.

In January of 1977, following a year of study, the State Energy Resources Office produced a Comprehensive Energy PLAN with the Energy Resources Advisory Board and other knowledgeable Maine citizens.

The Policy outlines goals and objectives for Maine's energy future in the areas of Conservation, In-State Energy Resources, Short-term Supply Considerations and Diversification of the State's energy base. The policy statement also makes specific recommendations for programs to address these areas. The Maine Energy POLICY is designed to complement the National Energy Policy and to supplement the National Policy in areas unique to Maine. I challenge all Maine citizens to work together and with our national leaders to address the energy situation we all face and to seek solutions to energy problems at all levels.

JAMES B. LONGLEY

JBL:pmw

STATE OF MAINE ENERGY POLICY STATEMENT

April 25, 1977

PREFACE

The State of Maine Energy Policy Statement is derived from the historical trends and future scenarios presented in The Maine State Comprehensive Energy Plan and is designed to be consistent with National Energy Policy. Although we have labored long and diligently to develop solutions to Maine's energy problems, we must realize that definitive strategies must evolve at the National level if energy policy is to be substantive.

While State Government is limited in its ability to establish specific energy policies, State Government has a responsibility to prepare an energy policy for Maine that would complement the National policy.

The State energy policies established herein will parallel National Policy to the maximum extent possible, and policy integration should be readily attainable.

If the people of Maine are willing to accept that the Nation has an energy problem, we can work cooperatively to implement National and State policy directives concurrently; a major portion of the battle is that Maine people--the entire Nation--must accept this fact.

ENERGY POLICY

I. Energy Policy, as any government policy, should be based on a careful analysis of the situation as it exists and the goals which should be achieved. The policies set forth here are based on the premise that the people of Maine will continue to use some level of energy to maintain their health, welfare, and economic well-being. The real difficult question facing energy planners is: "What is that level?"

To develop policy statements on this premise, future demands should be forecast for various levels of economic activity in the state. This process should also identify the absolute minimum amount of energy which Maine citizens would require to maintain their health and economic well-being. Having made such determinations, it is incumbent upon government to identify those areas where the greatest impact can be made on energy supplies and demands. Finally, specific policies should be developed to bring about the changes necessary to achieve established goals.

The Office of Energy Resources staff has forecast future energy demands for the State. From these projections we have attempted to identify the areas where Maine's government can affect the energy situation to achieve the goals established herein. It must be noted that the energy situation in Maine, and indeed in the world, is very volatile. Therefore, the policies outlined in this document may require modification. It is not foreseen that the overall goals and objectives will change. However, certain events may make it necessary to change the path by which those goals and objectives are attained.

II. GOALS

To assure, within established environmental standards, a stable energy supply, at competitive prices, adequate and sufficient to maintain the health, safety, general welfare and economic strength of Maine's people.

A few of the terms used in this statement should be explained further:

"...within established environmental standards..." Energy policies developed by the State should not encourage or promote any energy program which would significantly harm the environment of the State. Hard decisions must be made if Maine is to meet energy demands while maintaining the healthful, scenic environment of the State.

"...stable energy supply...adequate..." The supply of energy to the State must be adequate to meet the needs of the people, businesses and industries. It is also important that this supply be stable, as great fluctuations in available energy can create severe hardships on energy users and cause disruptions in the economic fabric of the State. The embargo of 1973-74 and the natural gas shortage of 1976-77 are good examples of this type of disruption.

"...at competitive prices..." As stated before, some energy supply must be secured, no matter what the cost. However, if Maine is to have sustained economic growth, business and industry in the State must be able to obtain energy at competitive prices. This may be difficult in that Maine is geographically "at the end of the pipeline" for most energy sources.

It must be noted that this overall goal will be very difficult to achieve in all its parts, as there are many inherent conflicts between low prices, pure environment, and stable supply. Maine must maintain a close working relationship with Federal Energy and Environmental agencies to avoid conflicts between state policies and national objectives.

III. OBJECTIVES

1. To conserve energy through the reduction or elimination of processes that waste energy. Energy Conservation can be an important reduction in demand which will benefit the State economically, and help "buy time" until other resources can be developed.

2. To encourage the development of native, renewable resources. The State should promote wood, solar, wind, tidal, hydro, and other native resources even though these may presently have an economic disadvantage.

3. To insure an adequate supply of energy to the people of the State. Working within the framework of Federal Policy, a system should be developed and maintained to assure the proper and equitable allocation and distribution of available energy resources.

4. To diversify the energy supply base in the State and promote a more equitable distribution of energy resources. Maine should reduce its dependence on petroleum as a major energy supply, replacing it with more abundant conventional and renewable sources. Greater diversification of the types of energy supply and the distribution system within Maine should also be encouraged.

IV. POLICIES

1. Policies related to Conservation.

It is the Policy of the State of Maine:

A. To establish and maintain public awareness programs to promote opportunities for voluntary energy conservation.

B. To evaluate all potential energy conservation ideas and seek implementation of those which will bring about the greatest reduction of energy waste while at the same time not disrupting the State's economy.

C. To implement mandatory conservation measures in those cases where it is advisable or necessary.

D. To establish positive incentives for energy conservation as well as penalties for energy waste.

E. To evaluate the potential for electric energy conservation through load management techniques and alternative rate structures.

F. To participate in energy conservation programs established by Congress under Federal law.

G. To promote public funding (including guaranteed industrial financing) of those projects which have demonstrated an effort to improve energy efficiency in production.

H. To encourage the development and use of Public Transportation Systems (where feasible).

2. Policies related to In-State energy resources.

It is the policy of the State of Maine:

A. To continue to provide public information on ways to utilize native energy resources.

B. To investigate the economic and technical feasibility of solar energy for space and domestic hot water heating.

C. To work with state colleges and universities to investigate and promote utilization of Maine's native energy resources.

WOOD

D. To encourage the development of safe, efficient, economical equipment for home heating with wood.

SOLAR
WIND
SMALL-SCALE HYDRO

E. To encourage, through legislation, tax exemption or other economic incentive, at both state and federal levels, the use of solar, wind, and small-scale hydro-electric energy resources.

F. To seek funding from state, federal, and private sources, and channel these funds, through the Energy Resources Development Fund, to Research Development and Demonstrations Projects concerned with the development and use of Maine's native resources.

G. To encourage and assist the citizens of Maine to participate in Federal Energy Research, Development and Demonstration Programs.

3. Policies related to adequate short-term supply of conventional energy sources.

It is the policy of the State of Maine:

A. To create and maintain a complete, up-to-date Energy Emergency Contingency Plan which will allow the Governor to complement Federal Policy through exercising emergency powers which will insure adequate allocation and distribution of available energy supplies and impose necessary restrictions on demand.

B. To monitor available supplies of all energy sources in order to determine, in advance, any potential shortage.

C. To maintain a corps of personnel trained in the Federal fuel allocation process which can be brought quickly into service in the event of a petroleum shortage.

D. To develop and maintain programs which will insure that low-income and elderly persons in the State will not suffer undue hardship because of the economic ramifications of rising energy costs.

E. To encourage maximum feasible energy emergency preparedness and self-reliance on the part of Maine people.

F. To encourage the establishment of a Federal Petroleum Reserve in New England.

4. Policies related to Diversification.

It is the policy of the State of Maine:

A. To encourage improvements of the transportation systems in Maine to ensure that energy sources, such as coal, can be delivered economically and safely to all users throughout the State.

AAL

B. To promote the use of coal for heavy industrial and electric generation uses.

C. To promote industrial siting and development which allows one facility or process to utilize energy rejected by another facility or process (co-generation).

D. To encourage Research, Development and Demonstration of alternate energy resources and to make the information produced through such RD&D efforts readily available.

E. To investigate the potential for further importation of Canadian electric power.

F. To improve the regulatory process governing energy development in Maine so as to minimize government interference yet insure the protection of Maine's consumers and the State's environment.

G. To evaluate the possible costs, benefits and supply potential to Maine of energy resources transported or transmitted through, and primarily designated for use outside the State.

H. To take no action which would preclude the development of nuclear electric generation facilities in Maine. However, questions regarding disposal of nuclear wastes, the future availability of nuclear fuels, and the general safety of nuclear facilities must be resolved at the Federal level before new nuclear plants are built in Maine.

APPENDIX B

LEGISLATION PROPOSED BY THE COMMITTEE ON ENERGY AND REVISED BY THE LEGISLATURE

STATE OF MAINE

Inter-Departmental Memorandum Date_____

To_____

From Ted Potter Dept. Legislative Assistants

Subject Energy Bills before the Maine Legislature

The Joint Standing Committee On Energy was presented with 6 bills, 5 of which were generated from a study conducted by the committee prior to and during the early weeks of the Second Session of the 108th Legislature. A brief description of the bills and the reasons for the bills are provided below:

LD 2079 - An Act to Establish Standards to Protect Maine Consumers Against Unsafe and Improperly Manufactured Cellulose Fibre Insulation.

The purpose of LD 2079 is to require cellulose fibre insulation sold in Maine to meet minimum federal standards with respect to fire resistance, corrosion, and thermal resistance which are designed to protect the public. The State Fire Marshall is empowered to establish cellulose fibre insulation standards that are more stringent than federal standards.

The bill, in effect, prohibits the sale in Maine of any type of insulation that does not meet Class I insulation standards. Since the demand for insulation has increased substantially, and since flame retardent chemicals for the treating of insulation are in short supply, this bill is designed to prohibit the sale of any insulation that does not meet Class I standards.

Both houses of the Legislature have passed the bill as amended to be enacted.

LD 2100 - An Act to Provide for the Sale of Electricity to Public Utilities.

The purpose of this bill is to encourage the generation of hydro-electric power. At the present time, electric utilities are the only market for hydroelectric power generated by individuals or manufacturing firms. In many cases, the rates offered by electric utilities to other producers of hydroelectric power act as a deterrent to the development of hydroelectric power in Maine.

The bill provides that the rates paid by electric utilities for purchased electricity must be just and reasonable. The Public Utilities Commission is permitted to set the rates to protect the generator of hydroelectric power and the electric utility.

The provisions of the bill apply only to corporations organized to generate electricity. The bill does not apply to a firm, for example, that is organized to manufacture a product and sells excess electricity that it generates for its own use.

This bill has been enacted into law - P.L. 1977, c. 633.

LD 2101 - An Act to Provide Municipalities with the Authority to Establish Standards for the Installation of Wood Stoves.

The original bill proposed to authorize municipalities to establish standards for the installation of wood stoves designed for room heating and cooking purposes. The bill did not apply to wood stoves designed as furnaces.

Many of the fires associated with wood stoves are the result of faulty installation or use. The increased use of wood stoves that stems from rising fuel oil costs threatens to increase the number of home fires in Maine. As a result, wood stove installation standards may reduce the number of fires caused by wood stoves.

Since the municipalities already have the authority to prescribe or mandate wood stove installation standards, the Committee on Energy proposed that the Office of Energy Resources propose standards for the installation of wood stoves that municipalities could adopt. The purpose of the Committee Amendment is to provide one standard for the installation of wood stoves that the municipalities could adopt and thereby not foster the development of numerous standards by the 450 municipalities in the State.

The bill has been enacted into law - P.L. 1977, c. 631.

LD 2102 - An Act to Establish a Solar Water Heater Demonstration Program for Maine.

Maine failed to qualify to receive federal funds for the promotion of solar hot water heating. Federal funds are available to the 10 states with the highest average rates for electricity in the nation. Maine ranked 11th in the nation with respect to electricity costs on January 1, 1977.

The purpose of LD 2102 is to encourage the development of solar hot water heating in Maine by appropriating $25,000 to be used to provide 50 grants of $400 each to qualified applicants.

This bill is on the Senate Appropriations table.

LD 2105 - An Act to Require the Licensing of Insulation Installers.

The bill initially required that all contractors who install insulation be licensed. In addition, their installer was required to provide an insulation contract to the customer.

The purpose of the bill was to protect the public from "fly-by-night" operators who do not guarantee their work and who fail to do the work correctly.

In general, there was widespread opposition to the licensing provisions of the bill. Therefore, the bill was amended to require an insulation contractor to provide a written contract to the customer which contains specific information. Contractor violation of the contract is deemed a violation of the Unfair Trade Practices Act.

The public can notify the Office of the Attorney General with respect to contract violations, and the Attorney General will take whatever action is necessary. The public is not required to bring suit in court to obtain remedial action.

LD 2105 has been engrossed as amended and will be up for enactment in both houses.

LD 2120 - New Draft and New Title - LD 2176

LD 2176 - An Act to Empower the Oil Burner Men's Licensing Board to Inspect and Approve Coal and Wood Burning Equipment.

Initially, the Committee supported the concept of authorizing the Oil Burner Men's Licensing Board (OBMLB) to inspect and approve all solid fuel equipment and accessories. The Committee held a public hearing, and testimony at the hearing indicated that the OBMLD would be duplicating and preempting the inspection and approval of other state and federal agencies. As a result, the bill was redrafted to authorize the OBMLB to approve coal and wood stoves designed as central heating systems and attached to a central heating distribution system.

The purpose of the bill is to protect the public from central heating wood and coal stoves that are not designed to fullfill their function. The bill does not require approval of installation.

According to the bill the OBMLB will test central heating coal and wood stoves according to a set of criteria that is designed to protect the public from poorly constructed equipment fireplace stoves (free standing) are not subject to approval.

This bill is up for enactment by both houses.

TP/lk

STATE OF MAINE

MAR 6 1978

IN THE YEAR OF OUR LORD NINETEEN HUNDRED SEVENTY-EIGHT

H. P. 1993 — L. D. 2079

AN ACT to Establish Standards to Protect Maine Consumers Against Unsafe and Improperly Manufactured Cellulose Fiber Insulation.

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the Legislature finds that existing federal, state and local laws and regulations are insufficient to protect the consumer from improperly manufactured insulation; and

Whereas, it further finds that an unreasonable quantity of insulation is now being distributed which does not meet minimum safety standards; and

Whereas, a need exists for the expedited setting of mandatory state standards for the manufacture of insulation; and

Whereas, the most urgent need is for standards to reduce the risk to consumers from flammable and corrosive cellulose insulation; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. 25 MRSA § 2447-A, is enacted to read:

§ 2447-A. Cellulose fiber insulation standards

1. Prohibition. No individual, partnership or corporation shall sell or offer for sale in this State, in person, by mail or otherwise, any type of cellulose fiber insulation unless that product is either:

A. Certified by a nationally recognized testing laboratory as meeting ASTME-84, Class I requirements; or

B. Certified by the Department of Industrial Cooperation, University of Maine, as meeting requirements comparable to ASTME-84, Class I requirements.

No individual, partnership or corporation shall sell or offer for sale in this State, in person, by mail or otherwise any cellulose fiber insulation which does not conform to any rule established by the State Fire Marshal under subsection 2.

The Department of Industrial Cooperation of the University of Maine shall not be liable as a result of any damage or injury caused by or arising out of the installation or use of insulation certified by the department.

2. Rules. The State Fire Marshal shall, in accordance with the Maine Administrative Procedure Act, establish rules setting forth standards for cellulose fibre insulation which may be sold in this State. These rules shall be no less stringent than current federal specifications for Insulation Thermal: Cellulosic or Wood Fibre, and may exceed the federal standards if, in the judgment of the State Fire Marshal, the action is deemed necessary to protect the health and safety of the public. The State Fire Marshal may incorporate in those rules provisions for testing procedures different from those established by federal specifications where, in his judgment, these federal tests cannot conveniently be conducted in Maine or are not appropriate for Maine use.

3. Penalty. Any violation of this section shall be a Class E crime.

Sec. 2. Transition. Notwithstanding the provisions of Title 25, section 2447-A, any cellulose fiber insulation sold or offered for sale within a 45-day period following the effective date of this Act may be exempt from any labeling requirements provided under this Act.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved.

IN HOUSE OF REPRESENTATIVES, ... 1978

Read twice and passed to be enacted.

.....Speaker

IN SENATE, ...1978

Read twice and passed to be enacted.

..... President

Approved..... 1978

.....Governor

STATE OF MAINE

MAR 2 1978

IN THE YEAR OF OUR LORD NINETEEN HUNDRED SEVENTY-EIGHT

H. P. 2037 — L. D. 2101

AN ACT to Provide Municipalities with Standards for the Installation of Wood Stoves.

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

5 MRSA § 5005, sub-§ 1, ¶ N is enacted to read:

N. In cooperation with the Office of the State Fire Marshal and other interested parties, prepare proposed standards for the installation of stoves designed exclusively to burn wood for the purposes of heating or cooking, but shall not include wood stoves designed as furnaces attached to a central heating system. A hearing shall be held, preceded by reasonable notice to the public, on these proposed standards and they shall be modified as deemed necessary in response to the public hearing. The Office of Energy Resources shall make these standards available to those municipalities which desire to regulate the installation of wood stoves, pursuant to their powers as expressed in Title 30, section 2151.

IN HOUSE OF REPRESENTATIVES, ... 1978

Read twice and passed to be enacted.

.....Speaker

IN SENATE, ...1978

Read twice and passed to be enacted.

..... President

Approved..... 1978

.....Governor

STATE OF MAINE

FEB 2 4 1978

IN THE YEAR OF OUR LORD NINETEEN HUNDRED SEVENTY-EIGHT

H. P. 2036 — L. D. 2100

AN ACT to Provide for the Sale of Electricity to Public Utilities.

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

35 MRSA § 2314 is enacted to read:

§ 2314. Sale of electricity to public utilities

Corporations organized under Title 13-A for the purpose of generating electricity may sell electricity to any public utility corporation or cooperative authorized to make, generate, sell or distribute electricity. The rate, toll or charge paid to those corporations by any public utility shall be just and reasonable. The Public Utilities Commission may determine such rates and other conditions as shall safeguard the rights and interests of both the generating corporation and the public utility.

IN HOUSE OF REPRESENTATIVES, ... 1978

Read twice and passed to be enacted.

.....Speaker

IN SENATE, ...1978

Read twice and passed to be enacted.

..... President

Approved..... 1978

.....Governor

STATE OF MAINE

MAR 2 4 1978

IN THE YEAR OF OUR LORD NINETEEN HUNDRED SEVENTY-EIGHT

H. P. 2038 -- L. D. 2102

AN ACT to Establish a Solar Water Heater Demonstration Program for Maine.

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

Sec. 1. 5 MRSA § 5005, sub-§ 1, ¶ G, as repealed and replaced by PL 1975, c. 587, § 2, is repealed and the following enacted in its place:

G. Encourage and direct or sponsor research, experiments, and demonstration projects within the State to develop alternate energy sources, particularly, but not limited to, those sources which rely on the renewable naturai resources of the State, such as solar energy, the water of the tides and rivers, the forests, the winds and other sources which to date have not been fully explored or utilized;

Sec. 2. Appropriation. The following funds shall be appropriated from the General Fund to carry out the purposes of this Act:

	1978-79
EXECUTIVE DEPARTMENT	
Office of Energy Resources	
All Other	$16,000

Establishes a fund to implement a solar water heater demonstration program. The fund provides for the administration of 40 or more grants of $400 each to qualified applicants for the installation of solar water heating systems. The Director of the Office of Energy Resources shall provide grants to home builders, homeowners, schools and hospitals that demonstrate intent to install solar water heating systems and that meet any other qualifications deemed necessary by the Office of Energy Resources. No person, firm or institution shall be eligible for more than one $400 grant.

In the event that other public or private moneys become available to establish such a solar water heater demonstration program, they shall be used to expand the program.

The receipt of a demonstration grant shall not keep an applicant from applying for and

receiving any tax credit he may be eligible for under federal or state law on the remainder of the cost of the installed solar water heater over the amount of the grant.

IN HOUSE OF REPRESENTATIVES, ... 1978

Read twice and passed to be enacted.

.....Speaker

IN SENATE, ...1978

Read twice and passed to be enacted.

..... President

Approved..... 1978

.....Governor

STATE OF MAINE

MAR 1 3 1978

IN THE YEAR OF OUR LORD NINETEEN HUNDRED SEVENTY-EIGHT

H. P. 1941 — L. D. 2105

AN ACT to Require Contracts for the Installation of Insulation.

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

10 MRSA c. 219 is enacted to read:

CHAPTER 219

INSULATION CONTRACTORS

§ 1481. Definitions

As used in this chapter, unless the context otherwise indicates, the following words shall have the following meanings.

1. Insulation. "Insulation" means any material, including, but not limited to, mineral wool, cellulose fibre, vermeculite and perlite, and foams to reduce airflow between the interior and exterior surfaces of a building.

2. Person. "Person" means an individual, a copartnership, corporation or any other legal entity.

3. Residence or residential. "Residence" or "residential" shall mean any existing dwelling structure with 3 or less living units whether leased or owner occupied. Except as provided in this subsection, buildings used for commercial or business purposes shall not be subject to the provisions of this chapter.

4. Resistance factor. "Resistance factor" shall have the same meaning as "thermal resistance," as defined in the ASHRAE Handbook of Fundamentals.

§ 1482. Residential insulation contract

No person shall install insulation in any existing residence for compensation without providing the owner or lessee in advance with a written contract which shall include, but not be limited to, the following provisions which shall be clearly and conspicuously disclosed in the contract:

1. Resistance factor. The resistance factor of the insulation per inch and the thickness in inches to be installed;

2. Type of insulation. The type of insulation to be installed;

3. Area covered. An estimate of the square footage of area to be covered;

4. Degree of flammability. The degree of flammability of insulation is not to be less than class one standards;

5. Method of installation. The method of installation to be used;

6. Type of ventilation. The type of ventilation to be installed. If no ventilation is to be installed, the contract shall so state;

7. Guarantee against settling. Whether the installed insulation is guaranteed against settling and, if so, for how long and to what degree; if not, the contract shall so state;

8. Type of vapor barrier. The type of vapor barrier to be installed. If no vapor barrier is to be installed, the contract shall so state;

9. Areas to be insulated. The areas of the dwelling to be insulated;

10. Changes required. Any construction, reconstruction or structural changes required to install the insulation;

11. Work following insulation. Any restoration, finishing or cleanup work to be performed following the installation of insulation;

12. Provisions of warranties. The provisions of all warranties; and

13. Names. The name, business address and owner of the firm providing the goods and services provided herein.

§ 1483. Civil forfeiture; Unfair Trade Practices Act violation

Any person who fails to provide the owner or tenant with an insulation contract, containing at least the minimum information required by section 1482, prior to this installation of insulation into an existing residence shall be deemed to have committed a civil violation for which a forfeiture of not less than $200 for the first offense and not less than $500 for each subsequent offense shall be adjudged. In addition to the civil penalty provided in this section, any violation of this chapter shall constitute a violation of the Unfair Trade Practices Act in Title 5, chapter 10.

§ 1484. Exemption

This chapter shall not apply to any person who provides to the owner or the lessee of a residence the labor or material for installing insulation in that residence if that person is not primarily engaged in the business of installing insulation and if that person does not advertise, solicit or hold himself out as one who installs insulation. For the purposes of this section, the term "not primarily engaged in the business of installing insulation" means having gross receipts for the installation of insulation which do not exceed either $2,500 for all labor or $4,500 for all materials in any one calendar year.

IN HOUSE OF REPRESENTATIVES..... 1978

Read twice and passed to be enacted.

.....Speaker

IN SENATE. 1978

Read twice and passed to be enacted.

..... President

Approved..... 1978

.....Governor

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED SEVENTY-EIGHT

H. P. 2184 — L. D. 2176

AN ACT to Empower the Oil Burner Men's Licensing Board to Inspect and Approve Coal and Wood Fuel Central Heating Equipment.

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

Sec. 1. 32 MRSA § 2301, sub-§ 5 is enacted to read:

5. Coal and wood central heating equipment. "Coal and wood fuel central heating equipment" shall mean any heating plant equipped with a furnace or boiler using coal or wood, or both, as fuel and designed specifically to be attached to or as an integral part of a central heating distribution system. Fireplace stoves and radiant room heaters as defined by the National Fire Protection Association or Underwriters Laboratories Inc. shall not be considered to be within the definition of central heating equipment.

Sec. 2. 32 MRSA § 2301-A is enacted to read:

§ 2301-A. Approval process

No coal or wood central heating equipment shall be sold or offered for sale in this State unless the equipment is approved by the Oil Burner Men's Licensing Board. Devices listed for a specific purpose by Underwriters Laboratories Inc., or any other nationally recognized testing facility may be considered as meeting the requirements of the standards of the board. All other equipment shall be submitted to the board for review. The board may require the equipment to be tested by the Southern Maine Vocational-Technical Institute.

In House of Representatives, ... 1978

Read twice and passed to be enacted.

.....Speaker

In Senate, ...1978

Read twice and passed to be enacted.

..... President

Approved..... 1978

.....Governor