

MAINE STATE LEGISLATURE

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STATE OF MAINE
124TH LEGISLATURE
FIRST REGULAR SESSION



Summaries of bills, adopted amendments and laws enacted or finally passed during the First Regular Session of the 124th Maine Legislature coming from the

**JOINT SELECT COMMITTEE ON MAINE'S ENERGY
FUTURE**

July 2009

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STAFF:

JON CLARK, DEPUTY DIRECTOR
OFFICE OF POLICY AND LEGAL ANALYSIS
13 STATE HOUSE STATION
AUGUSTA, ME 04333
(207) 287-1670

STATE OF MAINE

124TH LEGISLATURE
FIRST REGULAR SESSION



LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* summarizes all bills and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 124th Maine Legislature.

The *Digest* is arranged alphabetically by committee, and within each committee by LD number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are summarized and listed by paper number. A subject index is included with each committee. The appendices include a summary of relevant session statistics, an index of all bills by LD number and an index of enacted laws by law type and chapter number.

Final action on each bill is noted to the right of the bill title. The abbreviations used for various categories of final action are as follows:

CARRIED OVER.....	Carried over to a subsequent session of the Legislature
CON RES XXX.....	Chapter # of Constitutional Resolution passed by both Houses
CONF CMTE UNABLE TO AGREE.....	Committee of Conference unable to agree; bill died
DIED BETWEEN BODIES.....	House & Senate disagree; bill died
DIED IN CONCURRENCE.....	One body accepts ONTP report; the other indefinitely postpones the bill
DIED ON ADJOURNMENT.....	Action incomplete when session ended; bill died
EMERGENCY.....	Enacted law takes effect sooner than 90 days
FAILED EMERGENCY ENACTMENT/FINAL PASSAGE.....	Emergency bill failed to get 2/3 vote
FAILED ENACTMENT/FINAL PASSAGE.....	Bill failed to get majority vote
FAILED MANDATE ENACTMENT.....	Bill imposing local mandate failed to get 2/3 vote
NOT PROPERLY BEFORE THE BODY.....	Ruled out of order by the presiding officers; bill died
INDEF PP.....	Bill Indefinitely Postponed; bill died
ONTP (or Accepted ONTP report).....	Ought Not To Pass report accepted; bill died
P&S XXX.....	Chapter # of enacted Private & Special Law
PUBLIC XXX.....	Chapter # of enacted Public Law
RESOLVE XXX.....	Chapter # of finally passed Resolve
UNSIGNED.....	Bill held by Governor
VETO SUSTAINED.....	Legislature failed to override Governor's Veto

The effective date for non-emergency legislation enacted in the First Regular Session of the 124th Legislature is September 12, 2009. The effective date for legislation enacted as an emergency measure is specified in the enacted law summary for those bills.

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appointed by the Governor and confirmed by the Legislature; and four Legislators, two Senators appointed by the President of the Senate and two House members appointed by the Speaker of the House. The Energy Trust Authority will be a quasi-state entity, with the broad powers to accomplish its purpose, including the power to develop and implement programs, enter into contracts with public and private entities to accomplish the purpose of the authority, issue revenue bonds through the Maine Municipal Bond Bank, contract with the Finance Authority of Maine or other entities to provide loans or grant funds, develop and adopt rules, set standards for energy efficiency and weatherization funded by the authority, retain certain confidential information under provisions similar to the Finance Authority of Maine's confidentiality exemptions and exercise other responsibilities possessed by and enjoy protections provided to other authorities under state law.

See also LD 1485.

**LD 980 An Act To Provide a Tax Credit for Heating and Cooling System
Alternatives and Improvements That Benefit the Environment and
Address Climate Change**

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SMITH D	ONTP	

This bill provides an income tax credit of up to \$5,000 for the costs of an alternative fuel heating or cooling system, energy efficiency equipment components and voltage regulation technology. The credit may be claimed for installations in tax years beginning in 2009 or 2010 and may be carried over up to five years. The General Fund costs of the credit are reimbursed from the Energy and Carbon Savings Trust Fund.

LD 1181 An Act To Create Jobs through Investment in Green Energy

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BERRY BARTLETT	ONTP	

This bill provides funding for cost-effective efficiency and renewable energy technology. It creates an energy efficiency entity called Efficiency Maine to administer a wide range of efficiency and related programs and to leverage private and federal funds. It ensures the provision of training for the jobs that these measures will create. Specifically, the bill accomplishes the following.

Part A requires all agencies of State Government that administer a program related to energy efficiency, load management and distributed renewable energy to contract with Efficiency Maine to administer the program, unless a different cooperative arrangement is more cost-effective. Part A also raises efficiency standards for state-funded construction and state-purchased vehicles.

Part B adds Efficiency Maine project bonds issued by the Finance Authority of Maine to the portion of the State ceiling for private activity bonds allocated to the Finance Authority of Maine. Part B also requires every building and industrial facility in the State, with certain limited exceptions, to get a thorough energy audit within the next 10 years. If the evaluation is done in coordination with Efficiency Maine, the audit must be paid for by Efficiency Maine.

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Part C adjusts school funding provisions to make state funding for adult education more responsive to increases in enrollment attributable to new workforce development programs and to permit career and technical education centers to receive targeted workforce development program funds. Part C also raises efficiency standards for school construction, involves Efficiency Maine in the construction project approval process, gives school administrative units increased flexibility in contracting with energy service companies for energy efficiency, load management and distributed renewable energy improvements and makes school administrative units eligible for technical and other assistance from Efficiency Maine in pursuing energy-related improvements.

Part D establishes a Green Energy Job Growth Initiative to ensure that workforce development efforts keep pace with jobs created by the bill. It requires the Department of Labor, in consultation with a broad range of stakeholders, to analyze current and future workforce needs in energy-related fields and to develop career ladders and recommendations for certifications, standards and licensing. Part D also requires the Department of Labor, as part of the Green Energy Job Growth Initiative, to administer a competitive grant program to support development of industry partnerships to meet workforce needs in energy-related fields and to leverage private and federal workforce development funds to that end. Funding is provided from the new revenues generated by the energy efficiency resources standard established in Part J of the bill. Part D also requires the Department of Labor, as part of the Green Energy Job Growth Initiative, to provide direct support to workers seeking training in energy-related fields, in a manner modeled on the Competitive Skills Scholarship Program.

Part E raises efficiency standards for county buildings, expands counties' ability to contract with energy service companies to achieve energy savings and makes counties eligible for technical and other assistance from Efficiency Maine.

Part F raises efficiency standards for low-income rental housing, requires landlords who participate in housing subsidy voucher programs to adopt efficiency measures that do not increase the indebtedness of the landlord and establishes a collaborative relationship between the Maine State Housing Authority and Efficiency Maine in delivering efficiency programs to the residential sector.

Part G expands the capacity of municipalities to use the property tax billing system to administer energy efficiency assistance programs and applies higher efficiency standards to municipal buildings to the extent that the State or another entity provides funding to cover the additional up-front cost of meeting those standards.

Part H establishes a partnership between the Maine Municipal Bond Bank and Efficiency Maine to administer the bank's Efficiency Partners program that provides loans for efficiency upgrades to municipal and public school buildings, requires the bank to consult with Efficiency Maine in administering its other programs and applies the bank's aggregation powers to the purchase of energy efficiency-related products and services.

Part I provides a definition of "distributed renewable energy technology," changes certain public utility laws to account for the creation of Efficiency Maine and requires transmission and distribution utilities and gas utilities to coordinate with Efficiency Maine in administering efficiency and distributed renewable energy technology programs and requires those utilities' cooperation in distributing information and allowing financing of efficiency-related projects to use the utilities' billing systems. Part I also requires the Public Utilities Commission to recommend efficiency standards for new electricity transmission lines and to establish a decoupling rate structure to encourage transmission and distribution utilities to reduce energy costs by reducing peak load.

Part J raises the renewable portfolio standard and establishes an energy efficiency resource standard that requires transmission and distribution utilities, gas utilities and heating fuel wholesalers to purchase energy efficiency credits to meet established efficiency targets and requires Efficiency Maine to deliver programs and services that meet those targets. It also provides jurisdiction to the Public Utilities Commission to impose administrative penalties on heating fuel wholesalers who fail to purchase the credits. Part J also gives responsibility for administering the Energy and Carbon Savings Trust to Efficiency Maine's administrator.

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Parts J and K transfer most responsibility for energy efficiency and distributed renewable energy technology programs now administered by the Public Utilities Commission to Efficiency Maine.

Part K establishes Efficiency Maine as a public instrumentality of the State governed by a board that is directed to contract with a nonprofit entity to administer all of Efficiency Maine's programs and activities. The contract is required to include strict benchmarks for a broad range of quality measures. Part K requires Efficiency Maine to implement a broad range of programs to increase energy efficiency for all of the State's residential, commercial and industrial energy consumers by using revenues from the sale of energy efficiency credits to fund cost-effective energy efficiency and distributed renewable energy technology products and services, workforce development activities to meet the demand for those programs and services and research, development and commercialization of products and services that reduce energy costs. Part K creates various legal immunities for Efficiency Maine and establishes certain exemptions for its records from Maine's freedom of access laws. Part K also requires Efficiency Maine to design its programs to maximize leveraging of other funding sources, including private financing, federal funds and payments from other New England states through the forward capacity market. Part K also authorizes the Finance Authority of Maine to issue revenue bonds for Efficiency Maine projects approved by Efficiency Maine.

Part L requires the Public Utilities Commission to adopt minimum appliance efficiency standards.

Part M requires the State Purchasing Agent to report to the Legislature on compliance with fuel economy mandates for state-purchased vehicles. Part M also requires the Department of Labor and the Department of Economic and Community Development to submit a proposal for an energy industry partnership for the downeast and coastal regions for funding by the Northern Border Regional Commission and to explore other possible energy industry partnership proposals. Part M also directs the Department of Economic and Community Development to analyze and report to the Legislature on barriers to participation in the green energy economy by businesses owned by women, minorities and other target populations. Part M directs the Department of Labor and the Department of Economic and Community Development in carrying out their duties under the Green Energy Job Growth Initiative and Part D of the bill to consider approaches taken in Oregon and Washington. Part M also includes an application provision grandfathering certain already-approved construction projects of the State, counties, municipalities and schools from the new efficiency standards established under the bill. Part M provides that it is the Legislature's intent that various specific programs now administered by various agencies be administered by Efficiency Maine or coordinated with its efforts. Part M provides for the transfer of all of the Public Utilities Commission's Efficiency Maine program assets, fund and contracts to the new Efficiency Maine entity established under the bill.

Part N corrects cross-references.

See also LD 1485.

LD 1201 An Act Regarding Energy Independence

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MARTIN J L MITCHELL E	ONTP	

This bill:

1. Establishes Efficiency Maine Plus (EM+) as an independent authority and public body corporate and politic and instrumentality of the state to plan, develop and implement energy conservation, carbon reduction and renewable energy programs to meet certain specified goals. The director is appointed by the Governor, subject to legislative confirmation, to serve a 4-year term;