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Date: (Filing No. S-)

ENERGY, UTILITIES AND TECHNOLOGY

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**STATE OF MAINE
SENATE
130TH LEGISLATURE
FIRST SPECIAL SESSION**

COMMITTEE AMENDMENT “ ” to S.P. 236, L.D. 597, “An Act To Establish the Wood Energy Investment Program”

Amend the bill by striking out the title and substituting the following:

'An Act To Establish the Thermal Energy Investment Program'

Amend the bill in section 1 in subsection 9 in paragraph C in the 3rd line (page 1, line 24 in L.D.) by striking out the following: "Wood" and inserting the following: 'Thermal'

Amend the bill in section 1 in subsection 9 in paragraph C in the last 2 lines (page 1, lines 27 and 28 in L.D.) by striking out the following: "wood-derived thermal energy or cogeneration" and inserting the following: 'thermal energy-derived'

Amend the bill by striking out all of section 2 and inserting the following:

'Sec. 2. 35-A MRSA §10128 is enacted to read:

§10128. Thermal Energy Investment Program

1. Establishment; purpose. The Thermal Energy Investment Program is established within the trust to provide incentives and low-interest or no-interest loans to strengthen the State's forest products industry and lower energy costs by increasing the efficient use of thermal energy production.

2. Thermal Energy Investment Fund. There is established in the custody of the trust a special nonlapsing fund, to be known as the Thermal Energy Investment Fund. The Thermal Energy Investment Fund consists of the following:

A. Sums the commission collects from alternative compliance payments made by competitive electricity providers to satisfy the portfolio requirements for thermal renewable energy credits established in section 3210, subsection 3-C;

B. Funds that the trust may receive from the State or from the Federal Government or funds from other agreements whose purpose is consistent with this section;

C. Principal and interest received from the repayment of loans made from the Thermal Energy Investment Fund; and

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1 D. Interest earned from the investment of Thermal Energy Investment Fund balances.

2 **3. Program details.** The trust, through the Thermal Energy Investment Program
3 established in subsection 1, shall provide incentives and low-interest or no-interest loans to
4 businesses, municipalities, educational institutions and nonprofit entities in the State for
5 the installation of new thermal energy-derived projects from the Thermal Energy
6 Investment Fund established in subsection 2. The trust shall require Thermal Energy
7 Investment Program participants to substantially share in the cost of projects funded under
8 this section. The trust shall seek to maximize the Thermal Energy Investment Program's
9 impact per dollar of expenditure from the Thermal Energy Investment Fund and shall set
10 limits it determines prudent on the size of incentives. The trust may not provide incentives
11 or loans from the Thermal Energy Investment Fund for the refurbishment or maintenance
12 of existing facilities.

13 The trust shall develop activities promoting the Thermal Energy Investment Program in
14 consultation with the Finance Authority of Maine, established in Title 10, chapter 110. The
15 trust shall consult with the Finance Authority of Maine, when appropriate, in its decisions
16 to award incentives and loans. To the extent that funding is available, the trust shall offer
17 technical assistance to eligible projects in a manner that is coordinated and consistent with
18 other trust programs.

19 For purposes of this subsection, "new thermal energy-derived project" means a project that
20 produces thermal energy and thermal renewable energy credits, including, but not limited
21 to, wood-fueled combined heat and power cogeneration boiler installations; colocation
22 development that increases the efficient use of wood for energy production; conversion of
23 fossil fuel-fired boilers to wood-fueled boilers or boilers using biofuels derived from wood;
24 and the installation of new wood-fueled boilers or boilers using biofuels derived from
25 wood. As used in this paragraph, "thermal energy" has the same meaning as in section
26 3210, subsection 2, paragraph D and "thermal renewable energy credit" has the same
27 meaning as in section 3210, subsection 2, paragraph E.'

28 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section
29 number to read consecutively.

30 **SUMMARY**

31 This amendment changes the name of the program created under the bill to the Thermal
32 Energy Investment Program and incorporates other changes to the bill necessary to shift
33 the focus of that program from new wood-derived thermal energy or cogeneration projects
34 to new thermal energy-derived projects that produce thermal energy and thermal energy
35 renewable credits. The amendment also makes a number of technical changes to the bill.