

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

An Act To Promote Municipal Energy Conservation

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

Sec. 1. 30-A MRSA §5953-C, as corrected by RR 1993, c. 2, §27, is amended to read:

§ 5953-C. Loans for energy efficiency improvements in municipal and school buildings

This section establishes a program to promote energy efficiency and indoor air quality in municipal and school buildings.

1. Efficiency Partners Program. The bank shall establish the Efficiency Partners Program, referred to in this section as "the program," designed to reduce energy costs in municipal and school buildings and to create jobs by financing energy audits and cost-effective improvements that accomplish energy efficiency while maintaining healthful indoor air quality. The bank shall issue a request for proposals for energy audits of municipal and school buildings and for energy savings that could be achieved through cost-effective improvements to heating and cooling systems, windows, insulation, lighting and equipment in municipal and school buildings. Identification of cost-effective improvements to achieve energy savings under the program must be based on a comprehensive energy audit that has been performed within the previous 5 years by a professional engineer licensed in this State. ~~The audit~~An energy audit that is financed under the program or is the basis for cost-effective energy efficiency improvements financed under the program must address compliance with the ~~current version of ASHRAE Standard 62, Ventilation for Acceptable Indoor Air Quality, developed by the American Society of Heating, Refrigeration and Air Conditioning Engineers~~model building energy code adopted by the Public Utilities Commission pursuant to Title 35-A, section 121.

2. Access to the program. Municipalities and school administrative units may have access to the ~~Efficiency Partners Program~~program regardless of whether the municipality or school administrative ~~district~~unit utilizes a loan pursuant to this section to finance ~~the~~an energy audit or cost-effective energy efficiency improvements.

3. Proposals; contracts. The bank shall solicit proposals from energy service companies and individual vendors of energy service products. Notwithstanding any provision of the law regarding bidding requirements, ~~for improvements accomplished pursuant to this section~~ the bank shall contract with an energy service company or companies or vendor or vendors to provide energy services in municipal and school buildings and schools under the program. Whenever the bid proposals received are substantially equivalent, the bank shall in the contract process select an in-state energy service company or vendor whose primary place of business is within this State. For public school projects, bid proposals for energy savings project efficiency improvements must include plans and specifications that are adequate to permit review by the agencies listed under Title 20-A, section 15903, subsection 3 and that bear the stamp of a ~~Maine registered~~licensed professional engineer or licensed architect. The agencies listed in Title 20-A, section 15903, subsection 3 shall review the plans and specifications and approve or disapprove them within a reasonable time period.

4. Loan; loan agreements. Loans from the bank for energy efficiency improvements must be structured to ensure to the greatest extent possible that the cost savings achieved by the energy efficiency improvements are sufficient to cover the loan and to achieve a net positive cash flow as early as practical. The rate of interest charged for the loans made through the program ~~authorized in this section~~ for energy efficiency improvements or energy audits must be below the currently available rate of interest charged on commercial loans of equivalent term and use.

5. Energy Payment Equalization Fund. The bank shall establish a fund called the Energy Payment Equalization Fund. To the extent that the fund has assets available to it through funding by federal, state or local governments, or grants, gifts, donations or payments from any other source, money in the fund may be applied to loans made to municipalities in the ~~Efficiency Partners Program~~ program if achieved energy savings are not sufficient to offset the debt service payments on a loan made through the program. This fund may include deposits made by energy service companies or vendors to guarantee their commitment to achieve energy savings sufficient to offset debt service payments but may not include any other donations or payments from vendors or interested parties. The fund may be used to provide general interest rate reductions or principal reductions on any loan or group of loans made under the program for energy audits or for energy efficiency improvements regardless of energy cost savings that may be achieved through the use of the proceeds of the loans or loan.

6. Report to the Legislature. Beginning in 2008, the bank shall report annually by March 1st to the joint standing committee of the Legislature having jurisdiction over utilities and energy matters regarding the program. The report must document program activity during the prior 12 months, including, but not limited to, contracts made with energy service companies or vendors, loans made to municipalities or school administrative units, energy audits conducted and energy efficiency improvements implemented.

Effective September 20, 2007