

# **130th MAINE LEGISLATURE**

# FIRST REGULAR SESSION-2021

Legislative DocumentNo. 1264

S.P. 415

In Senate, March 29, 2021

## An Act To Allow Owners and Renters To Use Future Electric Bill Payments To Finance Heat Pumps

Received by the Secretary of the Senate on March 25, 2021. Referred to the Committee on Energy, Utilities and Technology pursuant to Joint Rule 308.2 and ordered printed.

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DAREK M. GRANT Secretary of the Senate

Presented by Senator LAWRENCE of York.

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

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### Sec. 1. 35-A MRSA §3105, sub-§4 is enacted to read:

3 4. Financing agreement. A transmission and distribution utility may enter into a 4 written agreement with a customer for the financing of the purchase price and installation 5 costs of an efficient electric heat pump under this section. The agreement may provide that 6 the price and costs may be recovered by a finance charge on the monthly bill for the customer's electricity account and must plainly state any interest charged on the amount 7 8 financed. A failure to pay the finance charge may be treated as a failure to pay the 9 electricity bill, and the transmission and distribution utility may disconnect that customer's service or seek any other remedy for nonpayment provided by section 704. The finance 10 charge must be shown on a separate line on the monthly bill. The agreement may allow 11 the transmission and distribution utility to assess the finance charge on a subsequent 12 purchaser of the property on which the efficient electric heat pump is installed if at the time 13 14 the agreement is entered into the utility files a notice of the agreement and finance charge in the registry of deeds of the county in which the property is located. The agreement may 15 16 allow the transmission and distribution utility to assess the finance charge on a subsequent 17 renter of the unit rented by a customer who is a tenant if at the time the agreement is entered into the agreement is signed by the tenant's landlord or the owner of the property on which 18 19 the heat pump is installed and the utility files a notice of the agreement and finance charge 20 in the registry of deeds of the county in which the property is located. Notice required to 21 be filed under this subsection does not constitute a lien on the property. The rate of any 22 interest charged on financing under this subsection must be a fixed rate over the term of 23 the agreement and may not exceed 4% above the stated yield for a one-year treasury bill as 24 published by the Federal Reserve System at the time the agreement is entered into. Any 25 indebtedness created under this subsection may be paid in full at any time before it is due 26 without penalty.

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#### **SUMMARY**

This bill allows a transmission and distribution utility to enter into a financing agreement with a customer for the purchase price and installation costs of an efficient electric heat pump and receive payment through subsequent charges on the customer's electric bill. The agreement may provide for payment by a subsequent purchaser of the property on which the heat pump is located or by a subsequent renter of the tenant's unit if the tenant's landlord or the owner of the property signs the agreement.