## Office of Policy and Legal Analysis

Date:	April 29, 2021
To:	Joint Standing Committee on Energy, Utilities and Technology
From:	Dan Tartakoff, Legislative Analyst
Re:	LD 1098, An Act To Support Rural Maine Residents through the Winter by Providing Rebates for Backup Power Generators (Senator Daughtry)

### **Bill summary**

This bill directs the Efficiency Maine Trust to provide a rebate of \$1,000 toward the purchase of a residential backup power generator for a person who resides in a rural area.

# List of legislators/entities that submitted written testimony and/or spoke at the hearing Proponents – Senator Daughtry.

**Opponents** – Efficiency Maine Trust.

Neither for nor against – Office of the Public Advocate.

#### Notes, issues and proposed amendments

- 1. *Changes needed* at the hearing, the sponsor noted that the language of the bill, as drafted, is not exactly as she had intended it. In looking for solutions to the issue of backup generator needs, especially in rural areas, the sponsor stated that she does not want to address those issues in a manner that reduces funding available for existing EMT programs. She suggested looking into a tax rebate and noted that additional federal monies might be available for this purpose in the near future.
- Funding issue as noted by the EMT, without specifying a funding source for the rebates proposed in the bill, it could be assumed that such funding is to be drawn from electricity conservation funds or RGGI funds, which the EMT would object to as doing so is unlikely to advance the statutory purposes of the EMT and is doubtful to be cost effective or serve a broader societal benefit.
- 3. *Definition of "rural"* as noted by the OPA, the bill uses a federal definition of "rural area" that would apply to a significant portion of Maine's population, which could cause electric customers to incur increased costs to offset significant funding needs for the program at the EMT. Suggests looking at income eligibility rather than "rural area." The sponsor noted similar issues with that definition and also suggested a similar income-based approach.

#### Requests for work session

- 1. Sponsor asked to provide more information on whether there are any federal monies available, including the forthcoming stimulus funding, that might be used to fund such a program as proposed in the bill.
- 2. Sponsor asked to provide information regarding the average costs for backup generators.

#### **Fiscal information**

Not yet available from OFPR.