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**Public Law**  
124th Legislature  
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**Chapter 565**  
**H.P. 1197 - L.D. 1696**

**An Act Regarding Community-based Renewable Energy**

**Emergency preamble. Whereas,** acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

**Whereas,** legislation is necessary to ensure that community-based renewable energy projects are eligible for grants from the Renewable Resource Fund; and

**Whereas,** the Public Utilities Commission is preparing to distribute \$600,000 of funds made available under the American Recovery and Reinvestment Act of 2009 through the Renewable Resource Fund; and

**Whereas,** in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

**Sec. 1. 35-A MRSA §3210, sub-§5,** as amended by PL 2007, c. 644, §§1 to 3 and PL 2009, c. 372, Pt. K, §1 and affected by §5 and c. 415, Pt. E, §2, is repealed and the following enacted in its place:

**5. Funding for research and development; community demonstration projects.**

The commission by rule shall establish and administer a program allowing retail consumers of electricity to make voluntary contributions to fund renewable resource research and development and to fund community demonstration projects using renewable energy technologies. The program must:

A. Include a mechanism for customers to indicate their willingness to make contributions;

B. Provide that transmission and distribution utilities collect and account for the contributions and forward them to the commission;

C. Provide for a distribution of the funds to the University of Maine System, the Maine Maritime Academy or the Maine Community College System for renewable resource research and development;

D. Provide for a distribution of the funds to Maine-based nonprofit organizations that qualify under the federal Internal Revenue Code, Section 501(c)(3), consumer-owned transmission and distribution utilities, community-based nonprofit organizations, community action programs,

municipalities, quasi-municipal corporations or districts as defined in Title 30A, section 2351, community-based renewable energy projects, as defined in section 3602, subsection 1 and school administrative units as defined in Title 20A, section 1 for community demonstration projects using renewable energy technologies; and

E. Provide for an annual distribution of 35% of the funds to the Maine Technology Institute to support the development and commercialization of renewable energy technologies.

Rules adopted under this subsection are routine technical rules pursuant to Title 5, chapter 375, subchapter 2A.

This subsection is repealed July 1, 2010.

**Sec. 2. 35-A MRSA §3210, sub-§6**, as amended by PL 2007, c. 18, §2 and PL 2009, c. 372, Pt. K, §2 and affected by §5 and c. 415, Pt. E, §2, is repealed.

**Sec. 3. 35-A MRSA §3210, sub-§6-A**, as enacted by PL 2007, c. 18, §3 and amended by PL 2009, c. 372, Pt. K, §3 and affected by §5 and c. 415, Pt. E, §2, is repealed.

**Sec. 4. 35-A MRSA §3210, sub-§9, ¶B**, as enacted by PL 2007, c. 403, §7, is amended to read:

B. The commission shall collect alternative compliance payments made by competitive electricity providers and shall deposit all funds collected under this paragraph in the Renewable Resource Fund established under section 10121, subsection 6 2 to be used to fund research, development and demonstration projects relating to renewable energy technologies.

**Sec. 5. 35-A MRSA §3603, sub-§3, ¶A**, as enacted by PL 2009, c. 329, Pt. A, §4, is amended to read:

A. Provide documentation of a resolution of support passed by the municipal legislative body or by the municipal officers, as appropriate if the municipal legislative body has delegated this authority to the municipal officers, of the municipality in which the community-based renewable energy project is proposed to be located, except that any project that is proposed to be located wholly in an unorganized or deorganized area of the State or that has a generating capacity of less than 100 kilowatts is exempt from the requirement set forth in this paragraph;

**Sec. 6. 35-A MRSA §10109, sub-§4, ¶D**, as enacted by PL 2009, c. 372, Pt. B, §3, is amended to read:

D. Nonelectric savings programs must be used to maximize fossil fuel energy efficiency and conservation and associated greenhouse gas reductions, subject to the apportionment between fossil fuel and electricity conservation set forth in paragraph A. Community-based renewable energy projects, as defined in section 3602, subsection 1, may apply for funding from the trust as nonelectric savings programs.

**Sec. 7. 35-A MRSA §10121** is enacted to read:

**§ 10121. Renewable Resource Fund**

**1. Funding for renewable resource research and development; community demonstration projects.** The trust by rule shall establish and administer a program allowing retail consumers of electricity to make voluntary contributions to fund renewable resource research and development and to fund community demonstration projects using renewable energy technologies. The program must:

- A. Include a mechanism for customers to indicate their willingness to make contributions;
- B. Provide that transmission and distribution utilities collect and account for the contributions and forward them to the trust;
- C. Provide for a distribution of the funds to the University of Maine System, the Maine Maritime Academy or the Maine Community College System for renewable resource research and development;
- D. Provide for a distribution of the funds to Maine-based nonprofit organizations that qualify under the federal Internal Revenue Code, Section 501(c)(3), consumer-owned transmission and distribution utilities, community-based nonprofit organizations, community action programs, municipalities, quasi-municipal corporations or districts as defined in Title 30A, section 2351, community-based renewable energy projects as defined in section 3602, subsection 1 and school administrative units as defined in Title 20A, section 1 for community demonstration projects using renewable energy technologies; and
- E. Provide for an annual distribution of 35% of the funds to the Maine Technology Institute to support the development and commercialization of renewable energy technologies.

Rules adopted under this subsection are routine technical rules pursuant to Title 5, chapter 375, subchapter 2A.

**2. Fund established.** There is established the Renewable Resource Fund, referred to in this section as "the fund." The fund is a nonlapsing fund administered by the trust. All funds collected by the trust pursuant to subsection 1 must be deposited in the fund for distribution by the trust in accordance with subsection 1. The trust may seek and accept funding for the program established pursuant to subsection 1 from other sources, public or private. Any funds accepted for use in the program established pursuant to subsection 1 must be deposited in the fund.

**3. Report.** The trust shall report by December 1st of each year to the joint standing committee of the Legislature having jurisdiction over utilities and energy matters on the fund. The report must include:

- A. A description of actions taken by the trust pursuant to subsections 1 and 2 during the prior 12 months;
- B. An accounting of total deposits into and expenditures from the fund during the prior 12 months; and
- C. A description of any research and development or community demonstration project that received a distribution from the fund during the prior 12 months, including its objectives, current status and results.

**Sec. 8. Federal stimulus funds; community-based renewable energy projects.** A state agency or instrumentality administering American Reinvestment and Recovery Act of 2009 funds may not prohibit a community-based renewable energy project, as defined in the Maine Revised Statutes, Title 35A, section 3602, that is eligible to receive such funds under applicable federal guidelines from applying to the state agency or instrumentality for such funds.

**Sec. 9. Effective date.** Those sections of this Act that repeal the Maine Revised Statutes, Title 35A, section 3210, subsections 6 and 6A and amend Title 35A, section 3210, subsection 9 and section 10109, subsection 4, paragraph D and enact Title 35A, section 10121 take effect July 1, 2010.

**Emergency clause.** In view of the emergency cited in the preamble, this legislation takes effect when approved, except as otherwise indicated.

Effective March 29, 2010, unless otherwise indicated.