SPONSOR: Rep. Bush & Sen. Mantzavinos
Reps. Baumbach, Hilovsky, Osienski, Michael Smith;
Sens. Sokola, Walsh, Wilson

HOUSE OF REPRESENTATIVES
152nd GENERAL ASSEMBLY

HOUSE BILL NO. 161

AN ACT TO AMEND TITLE 29 OF THE DELAWARE CODE RELATING TO THE ENERGY EFFICIENCY INVESTMENT FUND.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend § 8030, Title 29 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 8030. Energy Efficiency Investment Fund.

(a) The Division of Energy and Climate shall have the power to perform and shall be responsible for the performance of all the powers, duties and functions heretofore vested in the Delaware Energy Office, also referred to as the "Energy Office," "State Energy Office," "DEO" and "State Energy Coordinator," pursuant to: Chapter 76 of Title 16; Chapters 1, 10 and 15 of Title 26; this chapter; and Chapter 64 of this title.

(b) The Department of Natural Resources and Environmental Control shall manage the Energy Efficiency Investment Fund. The Fund shall be used to incentivize investments in energy efficiency by consumers or users of gas or electricity whose purchase of those commodities from a distributor is subject to the public utility tax on gas or electricity imposed by Chapter 55 of Title 30. The Department shall support implementation of projects that reduce the use of gas, electricity, or other sources through the issuance of competitive grants, low-interest loans, or other financing support from the Fund. The Department shall establish the contents and deadline for applications for financing from the Fund and shall give preference to those applications proposing projects that are anticipated to produce the greatest reduction in energy consumption per Fund dollar invested, improve environmental performance, spur capital construction and facility modernization, encourage job retention and creation, and are likely to be substantially complete no later than 1 year following the issuance of financing from the Fund. In no event shall the Fund provide grant funding for more than ~~30 percent~~ 60% of the costs of any proposed project or support projects already receiving support from the Green Energy Fund under this chapter or the Strategic Fund under subchapter II of Chapter 87A of this title. The Fund shall be administered in consultation with the Sustainable Energy Utility and the Department. The Department shall make an annual report on the use of the Energy Efficiency Investment Fund and the value of energy savings resulting therefrom to the Governor's Energy Advisory Council and the General Assembly not later than August 30 of each year after 2011. The

Department shall retain no more than 4 percent of the Fund for expenses to administer this section. All terms used herein that are defined in Chapter 55 of Title 30 shall have the same definition used in that chapter.

Ssynopsis

This Act allows the Department of Natural Resources and Environmental Control to assist more small businesses and organizations in making energy efficiency improvements to their facilities by raising the proportion of those projects that can be funded through grants or loans by the Energy Efficiency Investment Fund. Currently, assistance is capped at 30% of the project cost up to $250,000, leaving an applicant to come up with the remaining 70% or more. This can be prohibitive for smaller entities. By raising the eligible proportion of the project cost to 60%, without changing the maximum funding, the Department can help more small businesses, local governments, and nonprofits reduce their operating costs and environmental impact.