



STATE OF MAINE
DEPARTMENT OF ENVIRONMENTAL PROTECTION

PAUL R. LEPAGE
GOVERNOR

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COMMISSIONER

January 1, 2012

Senator Thomas B. Saviello, Co-Chair
Representative James M. Hamper; Co-Chair
Members of the Environment and Natural Resources Committee
100 State House Station
Augusta, Maine 04333-0100

Dear Senator Saviello, Representative Hamper and Members of the Joint Standing Committee on Environment and Natural Resources:

I am pleased to provide you with this report pursuant to Public Law 2009, Chapter 653, *An Act To Establish a Residential Wood Stove Replacement Fund*, as enacted by the 124th Legislature Second Regular Session. Specifically, Section 2 of the Public Law requires the Department of Environmental Protection to submit a report to the joint standing committee of the Legislature having jurisdiction over natural resources matters on the status and account activity of the residential wood stove replacement program, as established by the Maine Revised Statutes, Title 38, section 610-D, by January 1, 2012.

38 MRSA Section 610-D established a "Residential Wood Stove Replacement Fund." This fund is a nonlapsing fund administered by the department for the purpose of providing financial incentives for the replacement of wood stoves with cleaner alternatives. The fund consists of any money received from the following sources:

- o Contributions from any source, both public and private; and
- o Civil penalties for violations of air quality laws or rules administered by the department if the penalties are imposed pursuant to an administrative consent agreement or court-ordered consent decree and the person against whom the penalty is imposed expressly assents in the agreement or decree that the penalty may be paid into the fund. This provision sunsets January 1, 2012.

The department shall apply the money in the fund toward the award of financial incentives to residents of the State to replace residential wood stoves manufactured prior to 1988 and used as a primary source of heat in an owner's primary residence with residential heating appliances with lower emissions of pollution, such as wood stoves, pellet stoves or vented gas stoves, that have been certified by the United States Environmental Protection Agency. Costs incurred by the department to administer the residential wood stove replacement program may be paid by the Fund.

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To date no money has been received or deposited into the Fund.

In addition pursuant to 38 MRSA Section 610-D the department shall establish through rulemaking a residential wood stove replacement program. The rules adopted pursuant to this section are routine technical rules. The Department is currently in the process of developing a rule to satisfy that statutory requirement and expects to complete rulemaking by the end of 2012.

If you have any questions or would like me to present this report to the committee, I am available at your request and convenience. You can reach me at 287-6104 or at Melanie.Loyzim@maine.gov.

Sincerely,

Melanie Loyzim
Director, Bureau of Air Quality