

# 2nd Maine Modern Wood Heat Symposium

Augusta ME

February 5, 2019



# Maine Statewide Wood Energy Assistance Team

[www.woodheatmaine.org](http://www.woodheatmaine.org)

Program of the Maine Forest Service



Funding support provided by the USDA Forest Service



***THANK YOU***

USDA Forest Service and Maine Forest Service comply with federal non-discrimination policy and are equal opportunity providers

# *Financing Projects*

- Cash, appropriations, capital reserve accounts
- Conventional debt financing: bonding, municipal lease purchase, loans and loan guarantees
- Energy Services Contracts
  - 3<sup>rd</sup> party finance; energy savings used to pay down capital over set period
  - Several projects in Maine have been financed this way
- Grants

# Sources of Assistance with Project Financing

## Federal

- USDA Wood Innovation Program Grants (Feb. 24 Deadline)
  - Competitive, 2:1 match, up to \$250,000
- USDA Community Facilities Loan and Grant Program
  - Competitive, low income communities, public facilities only; grants and low interest loans
- USDA Rural Energy for America Program
  - Ag or rural businesses only, 25% grants on capital cost, also low interest loans
- Northern Forest Center
  - 30% up to \$10K in Katahdin region – schools, nonprofits, small commercial buildings
- Community Wood Energy and Innovation Program (Farm Bill)
  - \$25 million/year authorized, competitive national grant program, grants of 35% on capital cost, up to \$1 million; for public or private facilities
  - Awaiting rules to implement and funding from Congress



More info:

- [www.rd.usda.gov/me](http://www.rd.usda.gov/me)
- [www.fs.usda.gov/naspf/programs/wood-education-and-resource-center/2019-wood-innovations-program-request-proposals](http://www.fs.usda.gov/naspf/programs/wood-education-and-resource-center/2019-wood-innovations-program-request-proposals)
- [www.northernforest.org](http://www.northernforest.org)

# *Sources of Assistance with Project Financing*

## State

Efficiency Maine – rebates on residential wood pellet boiler installations

- 1/3 project cost up to \$3,000
- Residential building 1-4 units

Legislation this session?

# *Biomass Thermal Utilization Act*



30% federal investment tax credit on residential and business biomass heating systems

- Must meet efficiency standards
- Five year authorization, through 2024
- Senators Collins and King have been consistent sponsors and supporters and will reintroduce in 2019 session of Congress

Biomass combined heat and power currently qualifies for 10% ITC

# Getting Started

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- **Understand what you are trying to achieve**
- **Learn as much as you can on your own**
  - lots of free information
- **Talk to others who have already done it**
- **Talk to prospective vendors**
- **Hire a qualified energy advisor to assist you**
- **Consider audit and efficiency measures BEFORE you size your system**
- **Carefully size your system**
- **Develop financial pro forma**
- **Consider public relations of your project: fuel supply, emissions, trucks, etc.**
  - engage your stakeholders!



# *Tours*

- **Chelsea Elementary School, Chelsea**
  - 730 kW Messersmith Wood Chip Boiler
  
- **Duratherm Window, Vassalboro**
  - OkoFEN wood pellet boilers (56 kW)

