



For a thriving New England

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Testimony of Phelps Turner on behalf of Conservation Law Foundation Before the Joint Standing Committee on Environment and Natural Resources:

- **In Support of L.D. 1657 (An Act To Update the Allowance Budget for the Regional Greenhouse Gas Initiative)**

Senator Saviello, Representative Tucker, and members of the Joint Standing Committee on Environment and Natural Resources:

My name is Phelps Turner, and I am a Staff Attorney at the Conservation Law Foundation's (CLF) Maine Advocacy Center, where we advocate for a Maine powered by affordable clean energy, for a Maine with clean air and clean waters, and for innovative programs that will reduce our region's climate-warming greenhouse gas (GHG) emissions. CLF was actively involved in the creation of the Regional Greenhouse Gas Initiative (RGGI) and in the second RGGI Program Review conducted in 2016-2017.

Maine is a long-standing member of RGGI, a regional, nine-state cap-and-invest program which seeks to reduce emissions of climate-damaging carbon dioxide (CO₂) from the power sector by capping regional CO₂ emissions, auctioning allowances to emit CO₂, and investing the proceeds from those auctions in energy efficiency, renewable energy, and other consumer benefit programs. L.D. 1657 seeks to implement certain changes to the program made during the recent RGGI Program Review.¹

L.D. 1657 Allows Mainers to Continue to Reap the Economic, Health and Environmental Benefits of RGGI

Since its inception a decade ago, RGGI has generated significant economic, health and environmental benefits in Maine, including those listed below, and L.D. 1657 would allow Mainers to continue to reap these and the several other benefits of RGGI:

- Maine has received more than \$64 million in direct proceeds from the RGGI program, nearly all of which has been invested in energy efficiency programs and direct energy bill assistance²;
- Maines's RGGI-funded efficiency measures are estimated to generate savings of 362,000 MWh in avoided electricity use and 1.5 million MMBtu in avoided consumption of heating or process fuels, and will lower energy bills by more than \$60.7 million³;

¹ The other changes made during the second RGGI Program Review will be implemented in Maine via regulatory process. See 38 M.R.S. § 580-B(4), 06-096 C.M.R. 156, 06-096 C.M.R. 158.

² "The Investment of RGGI Proceeds in 2015," RGGI, Inc., October 2017, available at: http://www.rggi.org/docs/ProceedsReport/RGGI_Proceeds_Report_2015.pdf.

³ *Id.*



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- Maine's commercial and industrial energy customers have benefitted directly from these investments of RGGI proceeds. In 2016, Efficiency Maine Trust funded eight projects for large energy customers using more than \$2.4 million in RGGI funds⁴;
- Energy efficiency programs, like those directly funded by RGGI proceeds, will help Maine meet its goal of decreasing GHG emissions statewide to 10% less than 1990 levels by 2020.⁵

Region-wide, RGGI has saved consumers in Maine and the other RGGI states more than \$600 million on their energy bills through energy efficiency programs and direct energy bill assistance,⁶ created thousands of jobs along with more than \$2.9 billion in regional economic growth,⁷ prevented more than 8,000 asthma attacks, 39,000 lost work days, and 300 premature deaths,⁸ and reduced GHG emissions from the power sector by 45 percent.⁹

As a RGGI member, Maine has reaped a share of these regional economic, health and environmental benefits and L.D. 1657 will allow Maine and Maine consumers to continue to reap these benefits. If L.D. 1657 is not enacted, Maine will lose out on all these benefits, but will still be forced to pay the same energy prices that electricity consumers in the other RGGI states pay, because energy prices are set at a regional level.

Thank you for your time and attention to this matter.

⁴ "Regional Greenhouse Gas Initiative (RGGI) Annual Report," submitted to the Joint Standing Committees on Environment and Natural Resources and Energy, Utilities and Technology, March 17, 2017, available at: <http://www.maine.gov/tools/whatsnew/attach.php?id=764516&an=1/>.

⁵ "Sixth Annual Report on Progress toward Greenhouse Gas Reduction Goals," Maine Department of Environmental Protection, January 2016, available at: <http://www.maine.gov/dep/legislative/reports.html>.

⁶ "The Investment of RGGI Proceeds through 2014," RGGI, Inc., September 2016, available at: https://www.rggi.org/docs/ProceedsReport/RGGI_Proceeds_Report_2014.pdf.

⁷ "The Economic Impacts of the Regional Greenhouse Gas Initiative on Nine Northeast and Mid-Atlantic States," Analysis Group, July 2015, available at: http://www.analysisgroup.com/uploadedfiles/content/insights/publishing/analysis_group_rggi_report_july_2015.pdf.

⁸ "Analysis of the Public Health Benefits of the Regional Greenhouse Gas Initiative, 2009-2014," Abt Associates, January 2017, available at: <http://abtassociates.com/AbtAssociates/files/7e/7e38e795-aba2-4756-ab72-ba7ae7f53f16.pdf>.

⁹ "The Investment of RGGI Proceeds through 2014," RGGI, Inc., September 2016, available at: https://www.rggi.org/docs/ProceedsReport/RGGI_Proceeds_Report_2014.pdf.