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GOVERNOR

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DAN BURGESS
DIRECTOR OF GOVERNOR'S
ENERGY OFFICE

PRESENTATION BY
DAN BURGESS, DIRECTOR
GOVERNOR'S ENERGY OFFICE

REGARDING
CHANGE PACKAGE FOR
L.D. 221, An Act Making Unified Appropriations and Allocations for the
Expenditures of State Government, General Fund and Other Funds and Changing
Certain Provisions of the Law Necessary to the Proper Operations of State
Government for the Fiscal Years Ending June 30, 2021, June 30, 2022 and June
30, 2023

And

MAINE'S JOBS AND ECONOMIC RECOVERY PLAN

BEFORE THE JOINT STANDING COMMITTEE
ON
ENERGY, UTILITIES AND TECHNOLOGY

MAY 18, 2021

Senator Lawrence, Representative Berry, and Members of the Joint Standing Committee on Energy, Utilities and Technology (EUT), my name is Dan Burgess and I am the Director of the Governor's Energy Office (GEO).

In addition to Director Pingree's overview of the Administration's priorities this morning, I will be going into more detail on the portions of Governor Mills' budget change package and the Maine Jobs and Recovery Plan that pertain to the GEO and overall energy efforts. In general, the resources proposed would provide needed staff and funding to further the GEO's work related to energy efficiency, innovation and workforce

development, grid modernization, energy planning, renewable energy, and economic development – all topics that have been areas of considerable focus of this Committee. As Director Pingree touched on, the Governor’s proposed change package and Recovery Plan include several proposals to fund efforts related to implementing Maine’s Climate Action Plan. As highlighted in the attachment, these include:

Create Clean Energy Partnerships: \$8M

The Clean Energy Partnership will support clean energy and energy efficiency job growth through workforce development programs developed in partnership with industry and education leaders. This sector-focused initiative will establish clear training pathways for clean energy careers, support internships and apprenticeship programs, and create an online platform for attracting workers, sharing training opportunities, and highlighting job opportunities.

The Partnership will also target investments to encourage innovative clean energy companies in Maine through entities such as the Maine Technology Institute and others, as well as supporting focused industry business development. Additional workforce investments in Maine’s Career and Technical Education system, Community Colleges and University System will target several sectors of clean energy and climate career opportunities. Additionally, intentional funding for diversity, equity and inclusion aligns with the climate plan’s focus on advancing equity and workforce opportunities through Maine’s climate response.

Save Money Through Energy Efficiency: \$50M

This initiative, via the Efficiency Maine Trust, will accelerate weatherization and efficiency upgrades for Maine homes, especially for low-income, older Mainers and renters (\$25M). These funds will also help municipal, county, school, and community organizations to secure efficiency grants by providing matching funds (\$15M), and support incentives for industries and businesses to invest in energy cost savings and efficiency measures (\$10M).

Build More Affordable Housing for Maine's Workforce: \$50M

These funds would be used to expand housing options that are affordable to workers and their families to own or rent, through existing financing programs through MaineHousing, as well as new incentives in partnership with DECD. They would also provide planning and technical assistance for communities, developers, and builders to encourage construction or production of affordable, energy efficient housing units close to service and employment centers to support families and reduce commuting times.

Interconnection Funding: \$8M

These funds will establish a program to support electricity grid upgrades that will reduce barriers for economic development by new or struggling businesses, especially in rural areas of the state. This effort will be led by DECD, in coordination with GEO.

Expand Municipal and Public EV Charging: \$8M

Maine Won't Wait establishes ambitious electric vehicle (EV) targets. These funds, through the Department of Transportation and Efficiency Maine Trust, will support the continued expansion of electric vehicle charging stations at town buildings, school buildings, State facilities, and public locations. A reliable charging system that ensures an EV owner can charge their vehicles along major routes, at public places, at work and at home is important to expanding electrification.

GEO Initiatives – Change Package

With regards to the budget change package, on page 61 there are 3 new initiatives in the GEO.

The first initiative establishes 2 Public Service Coordinator II positions to advise on key planning and regulatory initiatives. These positions will support the GEO on key areas of associated with modernizing our grid, including those before the Public Utilities Commission such as grid modernization and rate design proceedings. As the state continues to pursue efforts related to advancing clean energy, we will need to work to have a grid that can support these efforts in a cost-effective manner. These positions will ensure that the GEO can be an active participant, and leader, in these areas critical

to achieving the state's energy goals and requirements. These positions will also support the GEO's future energy planning efforts.

The second initiative establishes 2 Public Service Coordinator II positions tasked with building economic opportunities for Maine communities and businesses in energy, with a particular focus on offshore wind. This includes supporting existing companies participating in global and regional markets, creating new opportunities for Maine businesses in the clean energy economy, and leveraging economic opportunities for Maine's ports. Work will also include overseeing research and development activities, including working collaboratively to develop a comprehensive plan to capitalize on the offshore wind research array. This includes working with independent experts to establish a Research Consortium, which will be a ground-breaking approach to help manage key aspects of the research array project and will result in a better understanding of how to maximize economic opportunities for Maine businesses while and working with the existing users to minimize impacts.

Further, this item provides \$1 million in funding to establish the Research Consortium which will be designed to take an integrated approach to research in an open, transparent, and inclusive manner that is informed by the work of regional and national scientific entities and work to fulfill the mission of the research array, with input from Maine stakeholders, including the fishing industry. This funding, in coordination with the Department of Marine Resource efforts, will serve as a potential match to attract additional funding from the federal government and others.

The third initiative establishes one limited period position, ending in June 2023, which is supported by a \$500,000 transfer from the Public Utilities Commission penalty funds. This position, and the funding not utilized for the limited position, will be utilized to advance the efforts called for by the Maine Climate Action Plan, with a particular focus on advancing a power sector transformation process to examine the transformation of Maine's electric sector and facilitate other related recommendations of the Maine Climate Council.

Overall, the change package and Recovery Plan funding we are proposing reflect our most critical priorities and needs, and I thank you for your consideration of these requests.

Thank you for your consideration.

A handwritten signature in cursive script that reads "Dan Burgess". The signature is written in a dark ink and is positioned above the printed name and title.

Dan Burgess, Director
Governor's Energy Office