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Testimony in Opposition to LD 2077-An Act Regarding Customer Costs and the Environmental and Health Effects of Natural Gas

Joint Standing Committee on Energy, Utilities & Technology January 23, 2024

Senator Lawrence, Representative Zeigler and members of the Committee on Energy, Utilities and Technology,

I am Eamonn Dundon, the Director of Advocacy of the Portland Regional Chamber of Commerce. We represent 1,300 businesses in our region who employ over 65,000 Mainers. We are submitting this written testimony today to express our organization's strong opposition to LD 2077. This legislation would take valuable energy options away from Maine residents and businesses by removing a key element to Maine's energy portfolio mix at a time when it is still necessary to bridge the energy sources of the past with the hoped-for energy sources of the future.

We have been ardent advocates for incentive based programs for the electrification of homes and businesses, including support for C-PACE adoption in our eight communities, the establishment of a state green bank to finance beneficial electrification projects, advocacy for increased funding to public transportation in our urban areas to reduce vehicle miles traveled, and for dense housing development to replace older building stock that is not efficient from an energy or population density perspective. We see all these efforts as essential to securing long-term energy security and indeed prosperity as we transition from the energy sources of the past. However, this is a long-term effort that cannot be implemented if we force punitive measures in the short term that exact great cost from Maine's ratepayers.

Reporting from the Portland Press Herald just yesterday notes that we are at least 18 months away from even having a roadmap as to the future needs of our electric grid to support increasing electrification in our state. This will be followed by decades of work and hundreds of millions of dollars in costs to ratepayers to achieve that vision. In the meantime, Maine's residents and businesses will continue to rely on natural gas to ensure continuity in their operations and energy costs, something this bill seems to dismiss as an urgent component of the short to medium term economic health of our state.

We are particularly concerned that this bill would unnecessarily increase the cost of housing at a time when we must be doing everything we can as a state to lower housing development costs. We continue to hear from members who develop housing that while they want to do everything they can to electrify units they are constructing, they are continually met with massive quotes from utilities for grid upgrades necessitated by their projected energy demand. Often, these costs alone can be enough to make a project not pencil. If forced to accept these massive costs, the cost of development will undoubtedly rise which will be passed on directly to future residents in the form of higher rents or sales prices. Natural gas must be preserved as an option over the coming decades while the grid catches up to the enormous demand it will sustain if we are to meet our electrification goals.

While we sincerely hope that the intent of this legislation comes from a well-intentioned place, we fear that passage now could jeopardize the economic health of our state. It would be far wiser to revisit legislation of this nature in a decade once added capacity and generation ease the substantial burden of the energy transition. We thank you for your time and commitment to all Mainers, and we ask that this committee vote ought not to pass on this legislation.



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