

Testimony in Opposition to LD 2077, "<u>An Act Regarding Customer Costs and the</u> <u>Environmental and Health Effects of Natural Gas</u>"

Senator Lawrence, Representative Zeigler, and distinguished members of the Committee on Energy, Utilities and Technology, thank you for the opportunity to testify on LD 2077. My name is Jacob Posik and I am testifying in opposition to LD 2077 on behalf of Maine Policy Institute, a nonpartisan, nonprofit organization that works to expand individual liberty and economic freedom in Maine.

LD 2077 is a deeply flawed, radical and unserious proposal. The data are clear that restrictions on new natural gas hookups are expensive and arbitrary impositions on energy consumers that only serve to undermine energy reliability and affordability.

Natural gas is an important component of our energy mix on which millions of Americans rely. According to the Institute for Energy Research, in 2019, residential American consumers used 5,015,603 million cubic-feet of natural gas, commercial buildings used more than 3.5 million cubic-feet, and industrial consumers used more than 8.4 million cubic feet.¹

LD 2077 would have devastating financial impacts on consumers across Maine who deserve choice in the energy market. A study by the American Gas Association analyzing the impacts of residential electrification policies found that if 60 percent of residencies in the studied region were converted fully to electricity by 2035, the average household would see an increase of \$1,420 per year in increased heating costs alone.² The association also finds that households which use natural gas for heating, cooking and drying clothes save an average of \$1,068 per year compared to homes using electric appliances.³

According to the Cato Institute, "banning the direct use of natural gas by end users lowers energy efficiency when accounting for the full fuel cycle." Further, a prohibition could actually result in increased carbon emissions if utilities continue to rely on natural gas and other fossil fuels for generating electricity."⁴

In effect, LD 2077 would result in increased costs for heating and home building, restrict consumer choice, and coerce consumers into relying on electricity to meet their future space and water heating needs.

¹ <u>https://www.instituteforenergyresearch.org/wp-content/uploads/2021/08/Natural-Gas-Ban-Report_Updated.pdf</u>

² https://www.aga.org/wp-content/uploads/2018/07/aga_study_on_residential_electrification.pdf

³ https://www.aga.org/natural-gas/affordable/

⁴ <u>https://www.cato.org/regulation/spring-2022/why-kill-natural-gas#the-self-defeating-environmentalism-of-natural-gas-bans</u>



Please deem LD 2077 "**Ought Not to Pass**" to respect choice for Maine energy consumers. Thank you for your consideration.