



March 6, 2024

Senator Mark Lawrence
Representative Melanie Sachs
Joint Committee on Energy, Utilities, and Technology
Legislative Information Office
100 State House Station
Augusta, Maine 04333

Testimony re: LD 585, "An Act to Use Certain Regional Transmission Organization Payments for Beneficial Electrification to Reduce Electricity Rates" from ReVision Energy

Senator Lawrence, Representative Sachs, and Members of the Joint Standing Committee on Energy, Utilities, and Technology:

ReVision Energy ("ReVision") submits these comments as a Maine-founded, employee owned, certified B Corporation clean energy construction company with over 470 employees across our five branches in New England, including more than 225 co-owners in Maine between our Montville and South Portland locations. As a longstanding member of Maine's growing clean energy industry, we work to achieve our mission of building the just and equitable electric future our state needs to meet our climate goals and ensure all Mainers have access to clean, affordable, local energy. While the majority of our work includes the deployment of solar energy, we also have business units focused on the installation of electric vehicle charging infrastructure, storage, and heat pumps.

This legislation makes the narrow change of enabling Efficiency Maine to apply forward capacity market funds toward incentives not only for heat pumps, as is permissible now, but also for electric vehicles. ReVision supports this update as an appropriate step to allow Efficiency Maine to sustain incentives for accelerating the transition to electrified transportation while minimizing costs to electric ratepayers. As described in Efficiency Maine's Triennial Plan VI, rebates are an important tool for overcoming barriers posed by the upfront cost of electric vehicles, especially for low- and moderate-income residents.¹ As the federal government debates continued availability of federal, income-capped tax credits for electric vehicles, targeted state-level incentives are all the more critical to keeping Maine on track to meeting its goals for electric vehicle adoption. We support Efficiency Maine's use of forward capacity revenues for electric vehicles alongside other beneficial electrification measures that are cost-effective and place downward pressure on electricity rates over time.

The electrification of vehicles provides significant benefits, both economic and environmental. In Maine, transportation is the largest contributor to emissions—responsible for 49% of our annual greenhouse gas emissions, with 59% coming from passenger cars and trucks. Fortunately, electrification of the transportation sector brings a trifecta of benefits: emissions mitigation, cost reduction, and energy independence.

¹ See Section 5.6 of Efficiency Maine's Triennial Plan VI, as filed November 2024 and pending approval before the Public Utilities Commission in Docket 2024-00310.



To expand, electric vehicles cost less to operate and maintain and are on average more affordable when comparing the average cost of gas to that of electric charging. In fact, depending on the vehicle type, electric vehicles can cost less than one-half or as little as one-tenth the cost of operating an equivalent internal combustion vehicle due to stable fuel costs and reduced required maintenance. While prices of new and used electric vehicles have declined, the upfront cost of electric vehicles can pose an obstacle to buyers when they are considering a vehicle purchase. Enabling incentives to support Maine drivers in the transition to electric vehicles, then, unlocks a tangible opportunity for Maine families to save money at a time when household costs are rapidly increasing.

Additionally, an increase in electric vehicles on the roads in Maine would mean sending less money out of state to support fossil fuel markets and keeping such investments in our communities. Given that electric vehicles can be charged by renewable resources, we can instead invest in local, homegrown energy that not only increases the environmental benefits of such vehicles but increases our energy independence, too.

Even more, as a flexible load, electric vehicle charging can provide important grid benefits and support the integration of renewable generation. This symbiotic relationship is largely due to the fact that electric vehicles can be managed to charge during off peak hours and periods when renewable generation is plentiful, then store that energy such that charging does not occur during periods of grid constraint. Utilizing electric vehicles for their maximum potential by enabling demand management can reduce or delay necessary grid upgrades, reducing ratepayer electricity costs. Maine already benefits from Efficiency Maine's programs to manage electric vehicle charging, and the continued availability of their incentives for electric vehicles can help make sure that customers enroll in these demand management programs going forward.

Lastly, without a meaningful acceleration in the switch to electric vehicles, Maine risks falling far short of its emission reduction targets. As reported in the 2024 Update of the Maine Climate Council's Climate Action Plan, Maine had fewer than 20,000 electric vehicles on the road last year. While we have seen growth in electric vehicle registrations in recent years, this figure is still a fraction of the updated Climate Action Plan's goal of 150,000 light-duty electric vehicles on the road in Maine by 2030. Incentives to encourage consumers to choose electric vehicles, and to ensure more equitable access to electric vehicles for all Mainers, are essential to achieving this electric vehicle adoption target.

We appreciate your consideration and urge you to support LD 585. Thank you.

Sincerely,

Lindsay Bourgoine
Director, Policy & Government Affairs
ReVision Energy