

March 24, 2025

Honorable Joseph Baldacci and Honorable Suzanne Salisbury
Chair, Committee on State and Local Government
Cross Building, Room 204
100 State House Station
Augusta, ME 04333

RE: LD 556 -- Support

Dear Chair Baldacci, Chair Salisbury and Honorable Members of the Committee,

Thank you for the opportunity for Consumer Energy Alliance (CEA) to provide comments on LD 556, An Act to Preserve Heating and Energy Choice by Prohibiting a Municipality from Prohibiting a Particular Energy System or Energy Distributor.

Established in 2006, CEA is a nonpartisan, consumer advocacy organization representing virtually every sector of the US economy—from the iron and steel industry to truckers, airlines, agriculture, labor unions, restaurants, chemical manufacturers, small businesses, and families across the nation. Our nearly 400 affiliate members support a common-sense, all-of-the-above energy policy that delivers affordable, reliable, and environmentally responsible energy to families and businesses.

LD 556 is a very simple and straight-forward legislation that protects the rights of individual consumers to choose the manner in which they heat their home, cook their food, dry their clothes—essentially how they power their lives. This legislation prevents a municipality from infringing on the right of individuals and businesses to make these choices. It should be up to consumers to decide what types of appliances they want not anyone else.

One thing that this bill doesn't do. It doesn't prohibit the state or municipalities from providing incentives to consumers to encourage favored heating systems and appliances. Any city or town can undertake efforts to promote its favored resources—they just can't prohibit their residents from using the appliances they want.

Affordability and Reliability are at the forefront of energy policy at the state and federal levels. Below are a few facts and figures that offer support for passage of LD 556:

- The North American Electric Reliability Corporation (NERC), the entity responsible for overseeing reliability of most of the country's electricity grid, including New England, has identified public policies as the number one risk to grid reliability -- highlighting, among other things, the increasing legislative focus on electrification and decentralization.

- A December 2024 Lending Tree Analysis study found that more than 34% of respondents said they have had to cut back or skip spending on certain necessary expenses at least once over the past year in order to pay their energy bill.
- An October, 2024 release from The Biden Administration showed that electricity costs can exceed other energy sources by over 300% on a per btu basis.

TABLE 1—REPRESENTATIVE AVERAGE UNIT COSTS OF ENERGY FOR FIVE RESIDENTIAL ENERGY SOURCES (2024)

Type of energy	\$ Per million Btu ¹	In commonly used terms	As required by test procedure
Electricity	47.36	^{2,3} 16.16 ¢/kWh	\$0.1616/kWh
Natural Gas	13.38	\$1.34/therm ⁴ or \$13.87/MCF ^{5,6}	\$0.00001338/Btu
No. 2 Heating Oil	27.22	\$3.74/gallon ⁷	\$0.00002722/Btu
Propane	33.59	\$3.07/gallon ⁸	\$0.00003359/Btu
Kerosene	34.37	\$4.64/gallon ⁹	\$0.00003437/Btu

Sources: U.S. Energy Information Administration, Short-Term Energy Outlook (July 9, 2024) and Annual Energy Outlook (March 16, 2023).

Notes: Prices include taxes.

¹ Btu stands for British thermal units.

² kWh stands for kilowatt hour.

³ 1 kWh = 3,412 Btu.

⁴ 1 therm = 100,000 Btu.

⁵ MCF stands for 1,000 cubic feet.

⁶ For the purposes of this table, one cubic foot of natural gas has an energy equivalence of 1,037 Btu.

⁷ For the purposes of this table, one gallon of No. 2 heating oil has an energy equivalence of 137,381 Btu.

⁸ For the purposes of this table, one gallon of liquid propane has an energy equivalence of 91,333 Btu.

⁹ For the purposes of this table, one gallon of kerosene has an energy equivalence of 135,000 Btu.

- The United States is a world leader in protecting the environment and reducing greenhouse gas emissions. According to the EPA, from 2005 to 2023, total U.S. energy-related CO2 emissions fell by ~17% while global energy-related emissions increased approximately 25% during the same time period. A substantial reason for the emissions reduction in the US is because of “fuel switching” from higher emitting fuels to lower emitting fuels like natural gas and propane.

I want to reiterate and be clear – CEA wants to see a clean future with lower emissions. However, that shouldn’t come at the expense of Mainers ability to choose the appliances and energy systems that work best for them. Passing LD 556 will preserve Mainers’ right to choose how they heat their homes, cook their food and power their businesses.

Respectfully,



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