



**LD 1037 An Act to Lower the Energy Burden of Residents
by Advancing Climate Change Goals
Testimony in Opposition
March 31, 2025**

Senator Tepler, Representative Doudera, and members of the Committee on Environment and Natural Resources, my name is Brian Hubbell, Senior Advisor in the Governor's Office of Policy Innovation and the Future (GOPIF) which staffs and manages the Maine Climate Council.

While we appreciate and agree with the likely goals of this legislation, we respectfully offer testimony in opposition to LD 1037, An Act to Lower the Energy Burden of Residents by Advancing Climate Change Goals. We believe that the state's climate law already requires consideration of affordability and energy burden issues and that the current climate plan, released in November of 2024, includes multiple strategies and recommendations that demonstrate responsiveness to those important policy issues and concerns. Additionally, if a more detailed analysis of energy burden and strategies to reduce that burden across energy types were needed, it would best be delivered through the State's Energy Plan, required biennially from the Governor's Energy Office versus the annual report of the Maine Climate Council.

The [law that created the Maine Climate Council](#)ⁱ was considered by this committee and passed with overwhelming bi-partisan support in 2019. The law directs the Maine Climate Council to do the following as a part of its planning process:

*Ensuring that the State's transition to a clean energy economy benefits all residents of the State fairly and equitably, with particular consideration given to sources of employment, income levels and historical experience. Development of mitigation and adaptation strategies must include consideration of how low-income residents of the State and residents of the State who are members of vulnerable communities will be affected by climate change and by the transition to a clean energy economy and how programs and incentives to address such effects can be designed to be accessible to all residents of the State regardless of income level, age, race or geographic location;*ⁱⁱ

On November 21, 2024 the Maine Climate Council released the state's updated four-year action plan, [Maine Won't Wait \(PDF\)](#)ⁱⁱⁱ. The updated plan builds on the state's success in fighting climate change and recommends commonsense strategies to advance the state's work in reducing greenhouse gas emissions, achieving carbon neutrality, and increase Maine's resilience to the impacts of increasing extreme storm events. Multiple components of the plan set policy recommendations, goals and metrics related to affordability and impact on low-income and rural residents and vulnerable populations.

The climate actions in the plan fall into seven strategy areas:

Strategy A: Embrace the Future of Transportation in Maine

Strategy B: Modernize Maine's Buildings: Energy Efficient, Smart, and Cost-Effective Homes and Businesses

Strategy C: Transition to Clean Energy

Strategy D: Create Jobs and Grow Maine's Economy Through Climate Action

Strategy E: Protect the Environment and Natural and Working Lands and Waters in Maine

Strategy F: Build Healthy and Resilient Communities

Strategy G: Engage With Maine People on Climate Action

Energy policy plays an important role in accomplishing the state's climate goals, and extreme storm events are having increasing impacts on our state's electricity grid reliability and rate payers. The Director of GEO is a member of the Maine Climate Council and is also co-chair of the council's Energy Working Group, and the 2024 update to the climate action plan includes a number of recommendations to decrease energy burdens while transitioning to clean energy. The following strategies that were included in the climate plan were recommended by the Maine Climate Council's Energy Working Group:

- Comprehensively analyze household energy burden in Maine in 2025, including all energy sources, and set a target for reducing the energy burden for low-income residents by January 2026.
- Expand financing and ownership models for Maine people and businesses to access clean energy and energy efficiency opportunities.
- Launch an energy coaches program to help low-income and underserved individuals and communities understand their options for meeting their energy needs through grants, rebates, or other incentives.
- Expand education and outreach for programs that increase access to clean energy.
- Adequately fund core energy assistance programs for low-income families.

The Council's charge is broader than just energy policy, and the GEO, not the climate council, is the office specifically tasked with activities relating to state energy policies, planning, and development.

If the legislature wanted to see more detailed energy analysis as a part of the Climate Plan, the appropriate entity to lead this work is the Maine Governor's Energy Office (GEO), and we'd suggest that it fits within the State Energy Plan's intended role, which serves as an important plan and data set for the Climate Council as it recommends strategies and goals, every four years.

The GEO is the designated state energy office tasked with a wide range of activities relating to [state energy policies, planning, and development](#)^{iv}. The GEO's recently released [Maine Energy Plan](#) (January 2024)^v outlines strategies to further reduce energy costs, ensure reliability and resilience, and increase the diversity of energy resources to meet the Governor's goal of 100 percent clean electricity by 2040. Ensuring a more equitable energy system that reduces the burden on Maine people is a key theme of Maine Energy Plan, and the plan outlines a series of

specific actions Maine will take to reduce energy price volatility and stabilize costs in the long run.

The plan defines energy burden as the percentage of a household's income that is spent on energy costs, and finds that for low-income households in Maine, the average energy burden, including the cost of electricity and household fuels, is 14 percent based on 2018-2022 data. This is nearly three times higher than the statewide average energy burden across all household income levels. Strategy B in the Maine Energy Plan, "Reduce energy burden for low- and moderate-income households" recommends the following actions:

- Regularly conduct comprehensive analyses and target-setting of household energy burden that evaluates all household energy costs, including heating fuels, secondary heating sources, electricity, water heating, and transportation.
- Work with the Maine Office of the Public Advocate (OPA) to implement components of the [Electric Ratepayer Advisory Council's 2024 recommendations](#)^{vi} to streamline administration and increase consumer awareness of new and existing assistance and efficiency programs, among other recommendations.
- Expand education, outreach, and technical assistance activities to increase access to and utilization of existing energy efficiency, weatherization, and clean energy programs through navigator-type programs and partnerships with other state agencies and community-based organizations.
- Develop and support expanded financing options and ownership models to reduce barriers to clean energy and energy efficiency investments for low- and moderate-income households, renters, rural or underserved communities, and small businesses.

While the GEO is the agency specifically tasked with leading policy and programs related to energy issues, the Maine Climate Council was created to advise the Governor and Legislature on ways to mitigate the causes of, prepare for and adapt to the consequences of climate change. The council is required to submit an [updated state climate action plan](#)^{vii} every four years. The law specifies what the plan should include, including policy recommendations to reduce greenhouse gas emission, increase resilience to climate impacts, transition to clean energy, and minimize deleterious effects on persons of low income and moderate income.

It is true that the council is also required to submit an [annual report](#)^{viii} to the Legislature describing the activities of the council, the subcommittee and its working groups over the prior calendar year and including any findings and recommendations of the council. But these interim annual reports focus primarily on activities and progress on the four-year plan. This bill's focus on that annual report as the mechanism for the council to make recommendations to lower the energy burden for residents of the state would require the full council to develop specific policy recommendations on a different cycle from the overall plan and would therefore require a different level of support.

We suggest that the most direct way for the legislature to develop policy actions related to reducing energy costs and improving energy efficiency is to support the targeting planning work in these areas that the Governor's Energy Office proposes in the state budget. We appreciate

that this discussion is already well engaged in the EUT committee and look forward to working with the legislature as a whole as that interest emerges from that committee.

Thank you for the opportunity to submit testimony on this legislation and thank you all for your service on this committee.

ⁱ MRSA Title 38 §577-A. Maine Climate Council <https://www.mainelegislature.org/legis/statutes/38/title38sec577-A.html>

ⁱⁱ Ibid, section 8, subsection (E)

ⁱⁱⁱ Maine Climate Council, *Maine Won't Wait, A Four-Year Plan for Climate Action*, p. 79, Maine Climate Council, November 2024 www.maine.gov/climateplan/sites/maine.gov.climateplan/files/2024-11/MWW_2024_Book_112124.pdf

^{iv} MRSA Title 2 §9. Governor's Energy Office, section 3, subsection (C) <https://legislature.maine.gov/statutes/2/title2sec9.html>

^v Governor's Energy Office, *Maine Energy Plan, Advancing Affordable, Reliable and Clean Energy for Maine*, January 2025 <https://www.maine.gov/energy/sites/maine.gov.energy/files/2025-01/Maine%20Energy%20Plan%20January%202025.pdf>

^{vi} Office of the Public Advocate, *Quantifying Maine's Household Energy Burden and Affordability Gap*, VEIC and Beech Hill Research, December 2024 https://www.maine.gov/meopa/sites/maine.gov.meopa/files/inline-files/VEIC_Maine%20Energy%20Burden%20and%20Affordability%202024_2.pdf

^{vii} https://www.maine.gov/climateplan/sites/maine.gov.climateplan/files/2024-11/MWW_2024_Book_112124.pdf

^{viii} Maine Climate Council, Annual Report, December 2023

https://www.maine.gov/future/sites/maine.gov.future/files/inline-files/MCC_AnnualReport_2023.pdf