



SIERRA CLUB

MAINE CHAPTER

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To: Joint Committee on Energy, Utilities and Technology
From: Andrew Blunt, Sierra Club Maine
Date: April 22, 2025
Re: **Testimony in Support of L.D. 1700:** *An Act to Create a Direct Investment Pilot Project Under the Maine Clean Energy and Sustainability Accelerator*

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

I write on behalf of the Sierra Club Maine Chapter, representing over 22,000 supporters and members statewide. Founded in 1892, Sierra Club is one of our nation's oldest and largest environmental organizations. We work diligently to amplify the power of our 3.8 million members nationwide as we work towards combating climate change and promoting a just and sustainable economy. To that end, we urge you to vote "Ought to Pass" on L.D. 1700.

L.D. 1700 builds on the creation of the Maine Clean Energy and Sustainability Accelerator (the "Accelerator"), as it was passed in the 130th Legislature. It clarifies the ability of the Accelerator to provide direct investment services to clean energy projects and battery storage. The bill also compels the Efficiency Maine Trust (or "the Trust") to allocate \$1 million in existing funding to pilot this type of direct investment, either through low-interest loans or equity, directing the Trust to explore its role as a direct investor.

So far, through programs like Commercial Property Assessed Clean Energy (C-PACE), the Trust has been hugely successful providing low-interest loans to commercial property owners through the Accelerator. What L.D. 1700 seeks is to explore the role that the Trust can play providing low-cost capital directly towards the development of renewable energy generation or battery storage.

State agency, municipal, and private energy renewable energy projects have complex and diverse financing needs. The Accelerator is in a unique position to participate as a flexible investor in Maine's clean energy economy. Through this program, the Trust can provide competitive, low-cost, and low-risk capital to developers, and can spend public money to fill critical financial gaps for developers. For a project struggling to secure capital, that type of targeted intervention can make a huge difference in whether or not it ultimately gets built. The program as written will have flexible investment criteria as well, allowing the Trust to target municipal energy projects, grid resiliency projects, or other private or publicly owned renewable or energy storage projects depending on need, and where public capital is likely to make the largest difference.

Overall, L.D. 1700 encourages the Trust to invest its funds directly into our economy and create clean energy jobs for Maine people. The Sierra Club strongly supported the establishment of the

Accelerator, and, through projects like the one created in this bill, we're excited to support its growth as a substantial financial actor in our clean energy transition.

For the above reasons, we urge an 'Ought to Pass' vote on L.D. 1700.

Sincerely,

Andrew Blunt
Sierra Club Maine Chapter
Legislative and Political Strategist