



Maine Conservation Voters

Inform. Vote. Protect.

Testimony in Support of LD 1700, An Act to Create a Direct Investment Pilot Project Under the Maine Clean Energy and Sustainability Accelerator

Senator Lawrence, Representative Sachs, and distinguished members of the Joint Standing Committee on Energy, Utilities and Technology, my name is Lucy Hochschartner, and I am the Climate and Clean Energy Director with Maine Conservation Voters (MCV). MCV represents over 14,000 members and supporters who are building a just, thriving future for all by acting on the climate crisis, protecting the environment, and safeguarding our democracy. I am here today to testify in support of LD 1700, An Act to Create a Direct Investment Pilot Project Under the Maine Clean Energy and Sustainability Accelerator.

In 2021, the legislature created the Maine Clean Energy and Sustainability Accelerator to create a more comprehensive financing system at the Efficiency Maine Green Bank, and this pilot project would continue that innovation. The Clean Energy and Sustainability Accelerator enables Efficiency Maine Trust (EMT), through the Green Bank, to use creative financing techniques to increase private investment into the kinds of cost-effective and groundbreaking technologies that are needed for Maine to have a clean, affordable, and reliable energy system. Right now, though, this accelerator is not being used to its fullest potential. There is no program to provide direct investment to renewable energy and grid technology projects. LD 1700 directs EMT to use existing funds for a pilot that would use a number of different financing mechanisms for direct investment in these kinds of projects. Afterward, EMT will report to the legislature to grow this body's knowledge. Through this small pilot project, you have the ability to not only catalyze new and innovative technologies that will save Mainers money and decrease emissions, but also learn how to create more efficient markets for businesses in Maine.

Leaning fully into public financing will also allow Maine to both lower the costs and reap more benefits from clean energy. Maine spent more than \$4.7 billion on fossil fuels in 2021, and it is clear that not only is this energy dirty, but it is costing us.¹ The International Energy Agency confirms that clean electricity like wind and solar are the cheapest forms of new electricity

1

<https://www.maine.gov/energy/sites/maine.gov.energy/files/2025-01/Maine%20Energy%20Plan%20January%202025.pdf>

generation.² The need for the transition is clear. At the same time, we also must ensure that all investments made in our energy system are the best possible deal for Maine taxpayers, ratepayers, and families. By lowering the cost of capital, this pilot project will both derisk projects for developers and make the cheapest forms of electricity even cheaper for customers.³ Breakthrough financing mechanisms like equity stakes will also allow Maine to keep revenues right here in our state. This is a true win-win solution building upon the great work of the legislature and Efficiency Maine Trust.

There are many reasons to support LD 1700, and all are important. MCV knows that these pilot projects will help to lower Maine's emissions, which is one of the great challenges of our time. We need to transition away from fossil fuels in order to have a truly livable future where we have stopped seas from rising even higher, storms from becoming even more extreme, and seasons from getting even farther out of whack. We also know that we need to support a stable business environment for our state to truly thrive, with good jobs and opportunities for investment. That is the only way our communities can stay vibrant. And finally, we know that we must accomplish both of those tasks while lowering costs for Mainers who are already struggling. That is what LD 1700 accomplishes.

Sincerely,
Lucy Hochschartner

²

<https://www.maine.gov/energy/sites/maine.gov.energy/files/2025-01/Maine%20Energy%20Plan%20January%202025.pdf>

³ <https://coalitionforgreencapital.com/what-is-a-green-bank/green-bank-techniques/>