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**Testimony in Opposition to LD 1223, An Act to Lower Electric Rates for Maine Ratepayers  
by Requiring the Payment of Certain Costs from the General Fund and Establishing an  
Electricity Customer Costs Tax Credit**

**To the Committee on the Energy, Utilities and Technology  
by Jack Shapiro, Climate and Clean Energy Program Director  
October 30, 2025**

Senator Lawrence, Representative Sachs, members of the Energy, Utilities and Technology Committee, my name is Jack Shapiro, and I am the Climate and Clean Energy Director at the Natural Resources Council of Maine (NRCM). NRCM is a nonpartisan membership organization that has been working for more than 65 years to protect, restore, and conserve Maine's environment, now and for future generations. On behalf of our nearly 24,000 members and supporters, NRCM testifies in opposition to LD 1223, An Act to Lower Electric Rates for Maine Ratepayers by Requiring the Payment of Certain Costs from the General Fund.

LD 1223 as amended has a number of provisions, but this testimony focuses on a few significant ones.

### **General fund requirement**

Section one of the amended bill would require the use of general funds for a broad set of costs related to energy and energy infrastructure procurements. This provision is a radical departure from precedent, and would have the result of functionally blocking all current and future clean energy procurements that are in state statute, and create grave uncertainty around existing contracts. Enacting this provision as written would undermine Maine's statutory responsibility to reduce greenhouse gas emissions, and to achieve a 100% clean energy supply by 2040, which the legislature enacted just this year.

NRCM is not opposed to the use of general funds to support the deployment of the necessary clean energy resources and infrastructure needed to reduce Maine's costly dependence on fossil fuels for most of its energy needs. Public investment and ownership in clean energy is a worthy area of policy development and debate given the many possible options for lowering costs for consumers.

However the approach laid out in LD 1223 would make the operation of one of Maine's key mechanisms to diversify our energy supply, source more energy from in-state resources, and reduce our exposure to volatile natural gas prices dependent on the biennial appropriations process. This would introduce extraordinary risks for utilities and potential bidders. For clean

energy development, which requires some level of certainty to obtain financing and make projects viable, the impacts would likely be severe. The impacts would extend beyond wind and solar resources as well. For example, one of the Public Utility Commission (PUC)'s most recent procurements included hydroelectric resources, and recent efforts to create long term contracts for some of Maine's remaining biomass plants would suffer as well.

We are in an era of high electricity prices – which are forecast to rise in just a few months due to our continued reliance on natural gas for power generation.<sup>1</sup> Maine's RPS and the procurements that support it provides material affordability benefits. According to the Governor's Energy Office (now the Department of Energy Resources): "for electric ratepayers, the net annual average benefit [of the RPS] has been approximately \$21.5 million between 2011 and 2022."<sup>2</sup>

### **Cost report**

Another provision in the amended bill directs the PUC to prepare a report on certain customer costs annually starting in 2027. If the Committee felt that they did not currently receive sufficient information on costs from the commission or the Public Advocate, we would suggest that in order to ensure that the committee is receiving comprehensive information we would suggest that any such report also provide data on the benefits of the programs named in the bill, as well as data on other significant costs borne by ratepayers in recent years, including storm recovery costs, additional supply costs incurred due to exposure to fluctuating natural gas prices, and utility spending.

### **Conclusion**

As a whole, LD 1223 poses too great a risk to Maine's ability to reduce our dependence on fossil fuels for power generation – the primary driver of high electricity prices for Maine families and businesses.

We urge the Committee to vote Ought Not to Pass.

Thank you.

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<sup>1</sup> Maine Monitor. "*Electricity rates for Mainers are going up because more natural gas is being sold overseas.*" October 19, 2025. <https://themainemonitor.org/electricity-rates-rise-overseas-natural-gas/>

<sup>2</sup> Maine Governor's Energy Office. *An Assessment of Maine's Renewable Portfolio Standard*. March 2024. <https://www.maine.gov/energy/sites/maine.gov.energy/files/inline-files/Maine-RPS-Impacts-and-Procurement-Policy-Options-Report-Master-FINAL.pdf>