

**Testimony before the Committee on Environment and Natural Resources
in support of LD 2037, *An Act to Update the Regional Greenhouse Gas Initiative Allowances*
January 21, 2026**

Senator Tepler, Representative Doudera and members of the Committee on Environment and Natural Resources, my name is Sean Mahoney, and I am the Vice President and Senior Counsel of the Conservation Law Foundation (CLF). I appreciate this opportunity to testify in strong support of LD 2037, *An Act to Update the Regional Greenhouse Gas Initiative Allowances*.

CLF, founded in 1966, is a public interest advocacy group that works to solve the environmental and energy challenges threatening the people, natural resources and communities in Maine and across New England. In Maine for almost four decades, CLF is a member-supported organization that works to ensure that laws and policies are developed, implemented and enforced that protect and restore our natural resources; are good for Maine's economy and environment; and equitably address the climate crisis. CLF was actively involved in the creation of the Regional Greenhouse Gas Initiative (RGGI) and in the Second and Third RGGI Program Reviews.

LD 2037 allows Maine to continue to reap RGGI's environmental and economic benefits.

Maine is an original and long-standing member of RGGI, which since its inception has generated significant environmental and economic benefits in the state. The most recent report on the benefits of RGGI, released in 2025, indicates that from 2008-2023, Maine received \$182 million in proceeds from RGGI.¹ Those funds have been spent on, among other things, energy efficiency, direct bill assistance and beneficial electrification. Overall, the RGGI-funded investments made just in fiscal year 2023 will avoid energy costs of more than \$130 million in Maine.²

In Maine, funds from RGGI are primarily managed and administered by the Efficiency Maine Trust (Efficiency Maine). The most recent RGGI annual report, issued in 2025, indicates that by using RGGI funds to provide technical assistance and financial incentives, Efficiency Maine's programs have succeeded in helping Maine's residential, institutional, commercial and larger industrial energy customers invest in their energy infrastructure—leveraging RGGI funds, these customers have installed such upgrades as home insulation, new heating systems, and improved industrial processes that otherwise would not have occurred.³ As the report also indicates, directing RGGI funds to be invested through Efficiency Maine's programs is “helping Maine's energy consumers make a transition to a higher level of energy efficiency and reduced reliance on fossil fuels, while enjoying lower greenhouse gas emissions and operating costs.”⁴

¹ RGGI, Inc., “The Investment of RGGI Proceeds in 2023,” July 2025, https://www.rggi.org/sites/default/files/Uploads/Proceeds/RGGI_Proceeds_Report_2023.pdf, at 24.

² *Id.*, at 25.

³ Maine Department of Environmental Protection, Maine Public Utilities Commission and Efficiency Maine Trust, “Regional Greenhouse Gas Initiative (RGGI) 2024 Annual Report,” March 12, 2025, <https://www.maine.gov/tools/whatsnew/attach.php?id=13159320&an=1>, at 12.

⁴ *Id.*

Maine's ongoing participation in the RGGI program is also helping the state achieve its climate targets, including under 38 M.R.S. § 576-A. As a group, power plants subject to RGGI and located in Maine and throughout the RGGI region have experienced significant reductions in carbon dioxide (CO₂) emissions from the baseline period (2000 to 2005): compared to an average over the three most recent years, annual CO₂ emissions from RGGI units within Maine have decreased by more than 60% from levels emitted during the baseline period, and annual emissions from RGGI units within all RGGI participating states have decreased by over 50% from levels emitted during the baseline period.⁵ To date, the cumulative CO₂ savings over the life of the measures installed through Efficiency Maine's RGGI-funded conservation programs in Maine is estimated at 5,814,587 tons.⁶ These savings can be attributed to both direct fossil fuel reductions and changes in electricity use.

Without LD 2037, Maine will pay for RGGI, but will lose out on the benefits.

LD 2037 seeks to implement changes to the program made during the recent Third RGGI Program Review and finalized in 2025.⁷ The legislation will enable Maine to continue to reap the environmental and economic benefits of being a member of RGGI. Because Maine is part of a regional power grid in which energy prices are set at a regional level, if L.D. 2037 is not enacted, Maine will lose out on all the benefits of RGGI, but it will still be forced to pay the same energy prices that electricity consumers in the other RGGI states pay.

Thank you for the opportunity to testify in support of LD 2037.

⁵ *Id.* at 2.

⁶ *Id.* at 9.

⁷ RGGI, Inc., "Program Review," <https://www.rggi.org/program-overview-and-design/program-review>.