



SIERRA CLUB

MAINE CHAPTER

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To: Joint Committee on Energy, Utilities and Technology
From: Matthew Cannon, Sierra Club Maine
Date: January 21, 2026
Re: **Testimony in Support of LD 2037: An Act to Update the Regional Greenhouse Gas Initiative Allowances**

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 supporters and members nationwide as we work towards combating climate change and promoting a just and sustainable future for all people. To that end, we present this testimony in support of LD 2037.

Updating Maine's Regional Greenhouse Gas Initiative (RGGI) allowances is necessary to continue participation and will bring in tens of millions of dollars to help cut energy costs for Maine families and businesses. This is not a new program, but the continuation of a program that has benefitted Mainers, especially those with high energy burdens, since its inception in 2005.¹

The 10 states participating in the Regional Greenhouse Gas Initiative (RGGI) have agreed to strengthen their regional carbon dioxide (CO₂) emissions cap through 2037, starting in 2027, and establish new mechanisms to protect energy affordability. These updates will ensure the longstanding bipartisan initiative's continued success in promoting clean air, health and economic benefits across the region.

The updates are designed to:

- Provide stability and certainty to market participants, including power producers who purchase allowances to match their emissions and developers of new electricity generation resources.
- Ensure access to sufficient RGGI allowances to meet expected energy demand and bolster price protection for consumers. RGGI states will continue to invest the proceeds from those allowances into programs that lower electricity bills and provide economic benefits to local communities, including energy efficiency, renewable energy, and bill assistance programs.
- Confirm states' long-term commitments to energy affordability, public health, and the environment, maintaining an economic climate in which innovative companies and the region's workforce thrive.

¹ <https://www.rggi.org/program-overview-and-design/program-review>

RGGI funding in Maine goes to the Efficiency Maine Trust to support proven energy efficiency and beneficial electrification technologies that save money for Maine households and businesses. Between 2009 and 2024, Maine has received a total of more than \$246 million in funding as a RGGI participant. The RGGI investments in 2023 alone will save more than \$130 million in avoided energy costs, money that stays in Mainers' bank accounts. A significant fraction of RGGI funding in Maine goes to working families struggling with rising energy costs. In Fiscal Year 2024 alone, about \$12.6 million went to Efficiency Maine's low-income initiatives, including heat pump and weatherization programs designed to lower energy bills.

Failing to pass LD 2037 will cut Maine out of the program, forgoing tens of millions of dollars in funding every year that could be used to help Mainers save money on energy costs. Because Maine is part of a regional electricity system, failing to pass LD 2037 will do nothing to lower electricity prices. With the federal government turning away from energy efficiency, RGGI funding is more important than ever in lowering costs for hardworking families and businesses in Maine.

We urge you to vote 'Ought to Pass' on LD 2037.

Matt Cannon
State Conservation & Energy Director
Sierra Club Maine