

STATE OF MAINE OFFICE OF THE GOVERNOR 1STATE HOUSE STATION AUGUSTA, MAINE 04333-0001

DAN BURGESS
DIRECTOR OF GOVERNOR'S
ENERGY OFFICE

TESTIMONY BEFORE THE APPROPRIATIONS AND FINANCIAL AFFAIRS COMMITTEE & ENERGY, UTILITIES AND TECHNOLOGY COMMITTEE

"An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2023, June 30, 2024 and June 30, 2025"

L.D. 258

GOVERNOR'S ENERGY OFFICE March 1, 2023

Senator Rotundo, Representative Sachs, and Members of the Joint Standing Committee on Appropriations and Financial Affairs (AFA) and Senator Lawrence, Representative Zeigler, and Members of the Joint Standing Committee on Energy, Utilities and Technology (EUT): My name is Dan Burgess and I am the Director of the Governor's Energy Office (GEO).

The GEO testifies in support of L.D. 258

This budget advances the Governor's guiding belief that to build a stronger, more prosperous state where opportunity is available to all, then we must invest in the infrastructure that supports the people of Maine, our greatest asset.

That is why this budget proposal strengthens the very things that Maine people rely on every day to succeed, building on the strong success of the currently enacted budget and the last legislative session to tackle Maine's greatest challenges.

We have governed cautiously and in a fiscally prudent way over the past four years, making sure that – even in the hardest of times during the pandemic – we lived within our means. This budget proposal continues that practice.

We look forward to the discussions over the next several months as we outline each initiative and impact of the proposed investments.

L.D. 258 includes five initiatives under the GEO (Z122) that begin on page A-287 and here you will see the total proposed appropriations and allocations for the GEO. These initiatives as a package will enhance the GEO's ability to develop policies and programs to advance energy solutions for Maine, grow Maine's clean energy economy, engage in the important fight against climate change, and ensure Maine people have a reliable and affordable energy supply.

The first initiative is necessary to finalize the initiative included in the Supplemental Budget, Public Law 2023, chapter 3. This initiative makes permanent one Public Service Coordinator II position. While this

position was changed to permanent by the recently enacted supplemental budget (L.D. 206), the headcount and allocation adjustments must also be included in the 2024-2025 biennial budget. The position is currently, and would continue to be, funded by Other Special Revenue Fund sources, not from the General Fund. The Buildings and Efficiency Analyst supports the GEO's ongoing work related to building and energy efficiency, weatherization, increasing heat pump adoption, and energy code adoption for the State of Maine and works to support the implementation of proposed and existing policies.

The second initiative would continue and make permanent one Public Service Coordinator II position who serves as the Operations and Special Projects Administrator. This position supports the entire office providing general administrative and operational capacity, including procurement, contracting, budgeting, and quality assurance & compliance activities. This position was created by financial order and continued in Public Law 2021, chapter 29. The position currently ends on June 10, 2023.

The third initiative would extend one limited period position to November 25, 2024. The position is currently, and would continue to be, funded by Other Special Revenue Fund sources, not from the General Fund. The Energy Policy Analyst (Power Sector) supports the GEO's ongoing work related to energy markets, grid modernization, and the power sector. The position was created in Public Law 2021, chapter 398 and currently ends on June 10, 2023.

These position actions will give the GEO certainty for planning and ensure the ongoing operational capacity and continuity in work. These positions are currently filled by staff that are integral to the GEO's work.

The fourth initiative would increase the GEO's General Fund appropriation by \$500,000 in each fiscal year. This appropriation would allow the GEO to improve its ability to advance energy initiatives that support Maine's goals and policies to deliver affordable and clean energy to Maine's people. These funds would further support and strengthen the office's planning capacity and stakeholder & community engagement activities.

The fifth initiative would increase the GEO's General Fund appropriation by \$1,000,000 in each fiscal year. This appropriation would support the activities of the Maine Offshore Wind Research Consortium, in PL 2021, Chapter 407, with bipartisan support. The Maine Offshore Wind Research Consortium is focused on increasing understanding of local and regional impacts of floating offshore wind by supporting research to avoid or reduce impacts to existing ocean users and the Gulf of Maine ecosystem as well as realize cost efficiencies in floating offshore wind projects. The Advisory Board of the Consortium includes representation from the fishing industry, Maine-focused science and academic institutions, and state agencies, including the Department of Marine Resources and the Department of Inland Fish and Wildlife.

A portion of the funding identified in the fourth and fifth initiatives will serve as a match to the federal government and others, increasing funding opportunities to meet state goals and priorities.

The GEO appreciates your time and interest in our efforts to advance the state's clean energy and climate goals. I would be happy to address any questions you may have.

Thank you for your consideration.

DUB

Dan Burgess, Director Governor's Energy Office