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## **TESTIMONY BEFORE THE STATE AND LOCAL GOVERNMENT COMMITTEE**

### **An Act to Preserve Heating and Energy Choice by Prohibiting a Municipality from Prohibiting a Particular Energy System or Energy Distributor L.D. 894**

**GOVERNOR'S ENERGY OFFICE  
March 16, 2023**

Senator Nangle, Representative Stover, and Members of the Joint Standing Committee on State and Local Government: My name is Caroline Colan, and I am the Legislative Liaison for the Governor's Energy Office (GEO).

The GEO testifies in opposition to L.D. 894.

This legislation prohibits municipal governments from adopting an ordinance or regulation that prohibits an entity from installing a heating or energy system, or engaging the services of an energy distributor of their choice. Current law allows any municipality, by the adoption, amendment or repeal of ordinances or bylaws, to exercise any power or function which the Legislature has power to confer upon it, which is not denied either expressly or by clear implication, and exercise any power or function granted to the municipality by the Constitution of Maine, general law or charter (30-A MRSA §3001). The proposed bill may result in limiting the ability of a municipal government and its citizens to determine their own energy future through a public, locally-driven process.

It is understood that this legislation has been modeled closely after New Hampshire law SB 86 which was signed into law in 2021. Testimony in support of the legislation during public hearings in New Hampshire, indicated the legislation was motivated by policy supporting building electrification in other northeast states, particularly Vermont and Massachusetts, and with the aim of protecting heating oil and fuel companies in the state.

To meet Maine's greenhouse gas emissions reduction targets, large portions of the energy used in our economy will need to be converted from higher emitting sources, like fossil fuels, to low carbon resources and electricity — a transition referred to as "beneficial electrification" — and this electricity must increasingly come from cleaner generation sources.

Heating, cooling, and lighting of buildings are responsible for almost one-third of Maine's greenhouse gas emissions. Maine can reduce greenhouse gases by modernizing our buildings to use cleaner energy, increase energy efficiency, and utilize lower-carbon building materials. Building codes to improve energy efficiency, heating and cooling homes and businesses with high efficiency heat pumps and heat-pump water heaters, and weatherization are among the most cost-effective ways to reduce greenhouse gas emissions.

Low-income households, especially rural low-income households, often pay a higher percentage of their income to meet their home energy needs. To meet Maine's climate and equity goals, weatherization and heat-pump incentive programs should continue to expand to reach more Maine people, with special efforts to engage diverse communities and geographies, especially those with the greatest energy cost burdens.

While the state of Maine strongly supports these objectives and actions to meet our greenhouse gas emissions reduction targets, it has not mandated individuals or municipalities to use a particular energy source for heating or cooling, but rather has worked to implement programs that make it easier and more cost-effective for people to make the transition to modern technologies that also reduce our emissions.

The GEO closely monitors the evolution of modern, energy-efficient building codes and supports training on building codes to facilitate ongoing education of contractors and code-enforcement officials. The State of Maine, per statute, currently follows codes and standards from the 2015 International Energy Conservation Code (IECC), but municipal governments can choose to adopt "stretch codes" beyond the current state code if they choose. As these baseline codes advance and Maine communities choose to adopt stretch codes, this legislation could have the impact of prohibiting the direction that municipalities would seek to take.

Thank you for your consideration.

A handwritten signature in black ink that reads "Caroline Colan". The signature is fluid and cursive, with the first name and last name clearly distinguishable.

Caroline Colan, Legislative Liaison  
Governor's Energy Office