

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

JANET MILLS GOVERNOR DAN BURGESS DIRECTOR OF GOVERNOR'S ENERGY OFFICE

TESTIMONY BEFORE THE APPROPRIATIONS AND FINANCIAL AFFAIRS COMMITTEE

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

L.D. 2214

GOVERNOR'S ENERGY OFFICE March 1, 2024

Senator Rotundo, Representative Sachs, and Members of the Joint Standing Committee on Appropriations and Financial Affairs (AFA): 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. 2214.

The supplemental budget is a balanced, prudent, and responsible proposal that advances the Governor's long-held belief that we must continue to invest in the people of Maine, our greatest asset.

That is why the Governor's proposal strikes the balance between making timely investments to address urgent needs – like public safety, mental health, housing, education, and health care – and saving money to ensure that our state continues to stand on strong fiscal footing in the future.

We look forward to working with the Legislature in the coming weeks to arrive at a budget that protects our fiscal health and that makes prudent and timely investments to support the health, safety, and welfare of Maine people.

The fiscal year 2024-2025 supplemental budget bill includes four initiatives under the GEO (Z122) which begin on page A-49 of the Governor's Recommended 2024-2025 General Fund Supplemental Budget Document - Part A. 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, and ensure Maine people have a reliable and affordable energy supply.

The first two initiatives under the GEO each continue and make permanent one Public Service Coordinator II position. Together, these two positions support workforce development initiatives and related grant management, programming, communications, external engagement, and other initiatives related to Maine's Clean Energy Partnership program. The Clean Energy Partnership was established to advance the state's clean energy, climate, economic development, and workforce goals which includes a goal to grow Maine's clean energy economy to support 30,000 jobs by 2030. The Clean Energy Partnership supports this goal by building public-private partnerships between State agencies, training and educational institutions, and industry to equip workers with relevant skills and advance innovative clean tech in Maine. This program is currently supporting initiatives to prepare Maine people for jobs in the growing clean

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energy and energy efficiency fields through partnerships with the Associated General Contractors of Maine, the Building Performance Association, Downeast Community Partners, the International Association of Ironworkers Local 7, Kennebec Valley Community College, Northeast Energy Efficiency Partnerships, Inc., passivhausMaine, ReVision Energy, and the University of Maine. These two staff positions were previously established by financial order through December 2024.

The fourth initiative continues and makes permanent one Public Service Coordinator II position which support's the office's efforts related to energy markets, grid modernization, and power sector transformation that's needed to meet Maine's clean energy and climate goals in addition to coordinating programs related to the Bipartisan Infrastructure Law. This position is critical to support the office's engagement in grid planning processes to better understand and address the challenges posed by climate change and aging infrastructure while creating a more resilient, modern, clean, and affordable grid for Maine people and businesses. This position was previously continued by Public Law 2023, chapter 17 through November 24, 2024.

The third initiative requests an increase in the office's allotment baseline to align with projected available resources. The Bipartisan Infrastructure Law and the Inflation Reduction Act have made available historic federal grant award opportunities. The GEO has sought both formula and competitive funds from these sources to support Maine's climate, clean energy, and economic goals, and has been successful in receiving several awards. The requested increase in the allotment baseline will allow for seamless use of obligated federal grant funds by the office.

None of the GEO initiatives in this budget have implications for the General Fund. Each position which the office seeks to make permanent are currently filled by staff and have a multi-year funding plan in place supported by federal dollars. Making positions permanent for these programs is essential to ensuring the office can attract and retain high quality staff, and to give the GEO certainty for planning the ongoing operational capacity and continuity in work.

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

Thank you for your consideration.

Dan Burgess, Director Governor's Energy Office