LAUREL LIBBY

State Representative

Testimony presenting LD 444: "An Act to Lower Energy Costs by Repealing the Law Setting Out the State's Goals for Consumption of Electricity from Renewable Resources"

Tuesday, March 4, 2025

Senator Lawrence, Representative Sachs, and distinguished members of the Joint Standing Committee on Energy, Utilities and Technology, my name is Laurel Libby, and I represent the people of House District 90, including Minot and part of Auburn, in the Maine House of Representatives. Thank you for the opportunity to present LD 444, "An Act to Lower Energy Costs by Repealing the Law Setting Out the State's Goals for Consumption of Electricity from Renewable Resources."

This bill is critical to ensuring that Maine's energy policy is rooted in economic pragmatism and prioritizes the well-being of our residents over arbitrary government mandates. The existing statutory goals for renewable energy consumption have resulted in significant economic consequences for Maine households and businesses. The time has come to repeal these mandates and refocus our approach on affordability, reliability, and free-market principles.

The High Cost of Renewable Mandates

Maine's aggressive renewable energy targets have led to increased electricity prices that disproportionately impact low- and middle-income Mainers. Ratepayers are forced to subsidize costly renewable energy projects through mechanisms such as renewable

energy credits (RECs) and long-term contracts that favor politically-favored industries.[1] These subsidies, in turn, have driven up costs for consumers and businesses.

Maine is widely considered to have some of the highest electricity prices in the U.S. and ranks 40th for quality electricity infrastructure and 43rd in the nation for affordable prices.[2] Much of this cost burden is tied to policies that require utilities to purchase a fixed percentage of power from renewable sources, regardless of market conditions or the availability of lower-cost alternatives. Our clean energy goals do very little to help reduce national emissions and have even subjected us to costly lawsuits by groups like the Sierra Club for not instituting further emissions reduction policies which, in that case, represented a widely unpopular EV mandate.[3]

Impact on Grid Reliability

Beyond the economic impact, the current renewable mandates threaten the reliability of Maine's electric grid. Intermittent power sources such as wind and solar cannot provide consistent, baseload power.[4] This has led to greater dependence on imported electricity and natural gas-fired generation, further increasing costs and exposing Maine to energy shortages, particularly during the winter. Additionally, nondispatchable renewable energy sources require overdevelopment in production and storage, which further increases the costs per kilowatt.[5]

By repealing the state's renewable energy consumption mandates, LD 444 will allow the free market to determine the most cost-effective energy mix, ensuring that Maine residents can access reliable and affordable power. Energy producers should compete based on price and performance rather than government-imposed quotas that distort the marketplace.

Lessons from Other States

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[1] https://themainemonitor.org/energy-bills-132nd-legislature/
[2] https://www.usnews.com/news/best-states/rankings/infrastructure/energy/electricity-price
[3] https://www.sierraclub.org/maine/blog/2024/04/environmentalists-and-youth-group-sue-maine-failure-act-climate-change
[4] https://energyx.com/resources/what-is-intermittency-in-renewable-energy/
[5] https://mainepolicy.org/research/the-staggering-costs-of-new-englands-green-energy-policies/

Maine is not alone in grappling with the unintended consequences of aggressive renewable energy policies. States such as California and New York have faced skyrocketing energy prices and reliability issues due to similar mandates.[6] In contrast, states with a more balanced approach—focusing on market-driven energy development—have maintained lower prices and more stable power supplies. One such state is Texas, famous for its deregulated electricity market as well as its low energy prices,[7] and another is Louisiana, which has some of the lowest energy rates in the nation due to its avoidance of over-relying on renewables and dedication to natural gas production.[8]

We must learn from these examples and chart a more responsible path forward. Maine's energy future should be dictated by consumer choice and technological innovation, not by rigid government-imposed targets that put affordability and reliability at risk.

Conclusion

LD 444 represents an opportunity to course-correct and implement energy policy that prioritizes Maine ratepayers. By repealing the statutory goals for renewable electricity consumption, we can alleviate the financial burden on households and businesses, improve grid reliability, and embrace a market-based approach to energy development. I urge this committee to support LD 444 and restore economic sensibility to Maine's energy policy. Thank you for your time and consideration, and I welcome any questions the committee may have.

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[6] https://www.heritage.org/environment/report/why-electricity-prices-are-soaring-blue-states
[7] https://www.houstonchronicle.com/local/explainer/article/texas-electric-deregulation-ERCOT-TCAP-7971360.php
[8] https://www.eia.gov/state/analysis.php?sid=LA