



Natural Resources Council of Maine

3 Wade Street • Augusta, Maine 04330 • (207) 622-3101 • Fax: (207) 622-4343 • www.nrcm.org

Testimony in Opposition to 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

**To the Energy, Utilities and Technology Committee
by Jack Shapiro, Climate and Clean Energy Program Director
March 4, 2025**

Senator Lawrence, Representative Sachs, members of the Energy, Utilities and Technology Committee, my name is Jack Shapiro, and I am the Climate and Clean Energy Director at the Natural Resources Council of Maine (NRCM). NRCM is a nonpartisan membership organization that has been working for more than 65 years to protect, restore, and conserve Maine's environment, now and for future generations. On behalf of our nearly 24,000 members and supporters, NRCM testifies in opposition to *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 would eliminate Maine's overall renewable energy goals, and if enacted would:

- Prolong Maine's dependence on out-of-state fossil fuels;
- Slow efforts to build Maine-made renewable energy;
- Create higher and more volatile energy costs for Maine households and businesses; and
- Negatively impact jobs and economic growth.

Fossil Fuel Dependence Drives High Energy Costs

Maine households and businesses are dependent on fossil fuels for most of our energy, whether that is transportation fuels like gasoline and diesel, heating fuels like heating oil, propane, and natural gas, or natural gas for power generation on the New England grid. While Maine doesn't produce fossil fuels, we spend more than \$4 billion per year buying them from elsewhere. In exchange we get high and volatile prices, air pollution that causes health impacts and climate change, and limited economic benefit.

Clean Energy Provides Economic Benefits

Conversely, Maine's renewable energy policies have spurred a growing sector building local, Maine-made clean energy and installing cost-saving energy efficiency and clean energy technologies. Maine's clean energy industry contributed \$2.31 billion to the state's economy in 2022 alone and includes more than 2,500 clean energy businesses. Clean energy jobs have

helped lead Maine's economic growth, with the sector growing faster than the jobs economy-wide. The clean energy industry now employs more than 15,000 Mainers across the state.¹

Clean Energy Lowers Costs, Now and in the Future

Maine's existing renewable portfolio standard (RPS) is already saving ratepayers \$21.5 million per year, mostly by displacing higher-cost fossil fuel power generation.² Achieving the state's goal of reaching 100% clean electricity by 2040 could reduce average household energy costs by ~\$1,300 per year as lower-cost and more efficient electricity continues to replace higher-cost fuels over time.³

Renewable Energy's Advantages are Growing

Unlike fossil fuels and some other sources of energy, renewable energy is becoming increasingly competitive over time. Solar costs 83% less than it did in 2009, and wind two-thirds less.⁴ Lithium battery-pack prices have dropped by approximately 85% since 2013.⁵ This is the primary reason that 97% of the New England Independent System Operator (ISO-NE) interconnection queue is wind, solar, and battery projects.⁶ Renewable energy isn't subject to variable fuel costs and comes with stable prices over time. This contrasts with legacy fossil fuel generation, which is highly volatile, and is the primary driver of high electricity prices in Maine.

In summary, Maine's renewable energy goals should not be eliminated. In fact – to achieve our shared goals of affordable, reliable, and clean energy, durable economic growth and opportunity for Maine people, and a safe and healthy environment and climate – they should be accelerated.

We urge the Committee to vote Ought Not to Pass on LD 444.

I would be happy to answer any questions that the Committee has.

Thank you.

¹ Maine Governor's Energy Office. *2023 Maine Clean Energy Industry Report*. <https://www.maine.gov/energy/sites/maine.gov.energy/files/2024-05/2023%20MECEIR%20Report%20Final.pdf>

² Maine Governor's Energy Office. *An Assessment of Maine's Renewable Portfolio Standard*. March 21, 2024. <https://www.maine.gov/energy/sites/maine.gov.energy/files/inline-files/Maine-RPS-Impacts-and-Procurement-Policy-Options-Report-Master-FINAL.pdf>

³ Maine Governor's Energy Office. *Maine Pathways to 2040: Analysis and Insights*. January 2025. <https://www.maine.gov/energy/sites/maine.gov.energy/files/2025-01/Maine%20Pathways%20to%202040%20Analysis%20and%20Insights.pdf>

⁴ Lazard. *Levelized Cost of Energy Analysis Version 17.0*. June 2024. <https://www.lazard.com/media/xemfey0k/lazards-lcoeplus-june-2024-vf.pdf>

⁵ BloombergNEF. *Lithium-Ion Battery Pack Prices See Largest Drop Since 2017, Falling to \$115 per Kilowatt-Hour*. BloombergNEF. December 10, 2024. <https://about.bnef.com/blog/lithium-ion-battery-pack-prices-see-largest-drop-since-2017-falling-to-115-per-kilowatt-hour-bloombergnef/>

⁶ ISO New England. *Resource Mix*. Accessed March 3, 2025. <https://www.iso-ne.com/about/key-stats/resource-mix>