

Karen Blakelock, Policy Advisor The Nature Conservancy in Maine <u>karen.blakelock@tnc.org</u>

Joint Standing Committee on Energy, Utilities, and Technology

RE: LD 585—An Act to Use Certain Regional Transmission Organization Payments for Beneficial Electrification to Reduce Electricity Rates

Senator Lawrence, Representative Sachs, and members of the Joint Standing Committee on Energy, Utilities, and Technology, my name is Karen Blakelock and I work as the climate and energy policy advisor for the Nature Conservancy in Maine. I appreciate this opportunity to testify in support to LD 585.

The Nature Conservancy (TNC) is a nonprofit conservation organization dedicated to conserving the lands and waters on which all life depends. Guided by science, we create innovative, on-the-ground solutions to our world's toughest challenges so that both nature and people can thrive. We work in more than 70 countries, and use a collaborative approach that engages local communities, governments, the private sector, and other partners.

TNC supports the proposal before the committee in LD 585 to expand the scope of program funding to include both heat pumps and electric vehicles as eligible uses for these funds.

Both technology options can help lower monthly energy costs for Maine households. Maine has been a national leader in investing in these technologies (like heat pumps and heat pump water heaters), and as the three-pronged approach of beneficial electrification suggests, we must remain committed to doing all at once: 1. Increasing energy efficiency, 2. electrifying everything (including transportation), and 3. ensure that the electricity we use is generated with renewable resources.

Plug-in EV adoption is a powerful strategy to reduce emissions and can help reduce household transportation costs, but there are challenges to convincing drivers in rural areas. To look more closely at why, TNC Maine released a study with VEIC, an energy efficiency consultant, that demonstrated the benefits EVs can have for rural drivers. The results come from statewide polling, virtual focus groups, and interviews with community members and agency leaders.¹

The barriers revealed throughout the Northern New England region include a general lack of awareness of EVs, concerns about availability of all-wheel drive and higher clearance vehicles preferred in rural areas, lack of public charging stations, and EV suitability in New England winters.

<u>https://www.nature.org/content/dam/tnc/nature/en/documents/TNC_NNE_Rural_EV_Toolkit_April_2022_Final.pdf</u>

While these barriers are not small, it wasn't long ago that we were hearing some of the same arguments about heat pumps. Now, Maine is a national leader in heat pump deployment and an often-cited example demonstrating that this technology can work in cold climates.² This is in no small part thanks to efforts by the Maine legislature to invest in these programs, and by Efficiency Maine Trust to help educate Maine households and businesses and provide incentives.

TNC supports efforts by EMT to do the same with EVs—beyond the fact that EVs emit zero tailpipe emissions, they reduce costly maintenance work significantly. Rural drivers, especially, are poised to reap significant benefits with a switch to an EV. Rural households drive more miles, often in older, less efficient vehicles. This translates into more potential savings on fuel and maintenance if they were to switch to an EV. As more EV models are introduced, including four- and all-wheel SUVs and trucks, and with additional options for state incentives, many Mainers might soon discover that an electric vehicle is right for their lifestyle.

EVs might not be the answer for every single driver in Maine, but there is no one size fits all solution to any problem. Some Mainers might want a heat pump, others might find that the cost and energy savings they stand to gain are greater with an electric vehicle. What matters most is that we are striving to decarbonize all sectors of our economy in the least costly way possible for the benefit of Maine communities and the Maine environment.

I ask that you vote Ought to Pass on LD 585. I am happy to answer any questions now or in the future.

² https://grist.org/looking-forward/heat-pumps-are-taking-off-in-maine-one-of-the-coldest-states/