



Sophie Warren
P.O. Box 1
Scarborough, ME 04070
Phone: (207) 450-0765
Sophie.Warren@legislature.maine.gov

HOUSE OF REPRESENTATIVES
2 STATE HOUSE STATION AUGUSTA,
MAINE 04333-0002
(207) 287-1400
TTY: MAINE RELAY 711

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Testimony of Representative Sophie Warren in Support of
**L.D. 946, Resolve, to Increase Access to Energy Efficiency Programs
by Low-income and Moderate-income Residents**
Before the Joint Standing Committee on Energy, Utilities and Technology

Good morning, Senator Lawrence, Representative Sachs and respected colleagues of the Joint Standing Committee on Energy, Utilities and Technology. Thank you for the opportunity to present L.D. 946, **Resolve, to Increase Access to Energy Efficiency Programs by Low-income and Moderate-income Residents**.

This bill establishes a minimum of 50% of all electric vehicle and residential incentives offered by Efficiency Maine Trust to be dedicated to low- and moderate-income individuals. The accompanying sponsor amendment ensures all employers that receive state-funded rebates pay prevailing wage, and requires the Trust to work with Maine Housing to ensure the full utilization of federal dollars already slated for low-income weatherization.

I sincerely look forward to this discussion, and I hope it is productive. This bill ties together intersectional issues of climate, poverty, transportation, and labor rooted in the critical notion that transitions we make as a state to address climate change must work in line with equity policies that prioritize economic justice and day-to-day services so many Mainers rely on. Energy is a powerful focus for our climate change goals, but a Just Transition demands we work as collaboratively as possible as a state to protect and serve all Maine people and leave no one behind. The problems at the intersection of poverty, labor standards and energy need are nothing new to so many advocates and department officials who I know have been researching, designing, organizing and advocating policies to bridge these very challenges for many years.

Section 1: Transportation Rebates

If we see the urgency of addressing climate change alongside both recognizing the reality of our Maine population and the value of equity in our rebate programs, Section 1 of this bill directing half of all electric vehicle rebates be dedicated to low- and moderate-income residents is a straightforward, progressive change in EMT's allocations. I was excited to have seen the work of the Maine Climate Council's November 2024 Report not only name and prioritize further outreach to low- and moderate-income residents regarding public transportation, but to see specific

targets which reflect the language of this section. Within its' strategies is the specific goal¹ detailed as part of *Strategy A: Embrace the Future of Transportation in Maine* on Page 42 is the following:



Accelerate Maine's transition to light-duty electric and plug-in hybrid electric vehicles

- ⊕ Put 150,000 light-duty battery electric and plug-in hybrid vehicles on the road in Maine by 2030.
- ⊕ Lower the cost of new and used electric vehicles (EVs) and plug-in hybrid electric vehicles (PHEVs) for low- and moderate-income drivers, ensuring that at least 50 percent of all funding for light-duty EV rebates reaches those drivers.

Section 2: Residential Rebates

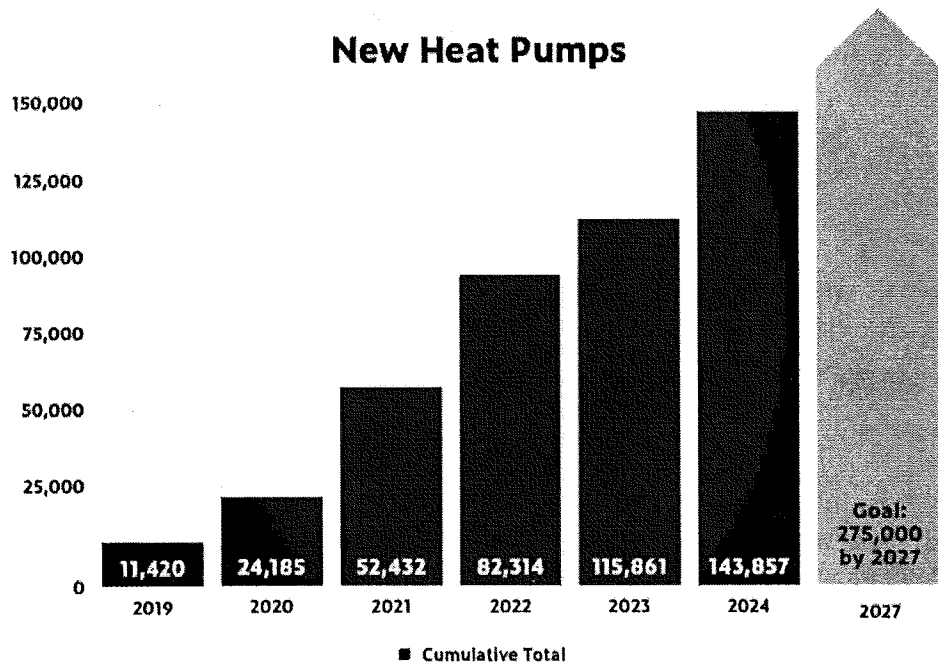
Section 2 of this bill directs EMT so that 1/2 of all funding distributed annually through residential incentives for homeowners is allocated to low- and moderate-income individuals. One key tenant of this bill is in its' intent to address the energy burden of Maine people. The work of Efficiency Maine Trust has been and can be even more a way to both address energy burden – being a cross-section of energy need and the capacity of that resident to pay – and as an integral part of addressing climate change in our state's clean energy transition. There are many ways to evaluate and address energy burden, but the Office of Public Advocate has utilized in its' annual Ratepayer Advisory Council reports a definition summarizing the term that offers a lot of utility for this conversation – as a technical way of describing the percentage of household income spent on energy costs.²

The values of this section are reflected in *Strategy C: Transition to Clean Energy*, specifically, “Decrease energy burdens while transitioning to clean energy,”³ but this language is truly borne from constituent conversations from my first election in 2020 onwards, stories about the ways in which EMT funds are not large enough to account for the capital needed for low or moderate income individuals, various stakeholder testimonies to Efficiency Maine Trust as part of their Triennial Plan public input, and the data summarized as part of the Maine Climate Council's most recent report published November 2024 (Report, Page 61-62, 159, 172-173)⁴ and including

¹ P. 42, 79-80, “Maine Won’t Wait,” Maine.gov, November 2024: https://www.maine.gov/climateplan/sites/maine.gov.climateplan/files/2024-11/MWW_2024_Book_112124.pdf.
² P. 11, “Electric Ratepayer Advisory Council Third Annual Report,” December 1, 2024, Office of Public Advocate, https://www.maine.gov/meopa/sites/maine.gov.meopa/files/inline-files/Electric%20Ratepayer%20Advisory%20Council%20Report%20December%202024_0.pdf.
³ P. 79, “Maine Won’t Wait,” Maine.gov, November 2024, https://www.maine.gov/climateplan/sites/maine.gov.climateplan/files/2024-11/MWW_2024_Book_112124.pdf.
⁴ See https://www.maine.gov/climateplan/sites/maine.gov.climateplan/files/2024-11/MWW_2024_Book_112124.pdf.

within the most recent EMT Triennial Plan report, particularly details like one from a survey in 2019: “A program survey conducted in late 2019 found that 14.2% of heat pump water heater participants in the Retail Initiatives, and 14% of the heat pump water heater participants through the Distributor Initiatives, qualified as low-income households.”⁵⁶

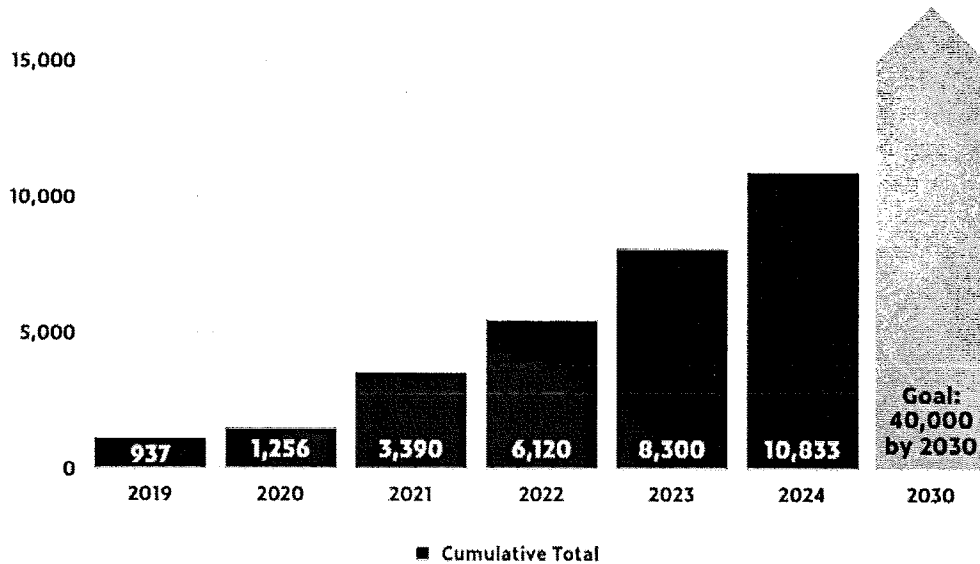
At the same time, there is meaningful distance between stated values and allocations. The Maine Climate Council set a goal of 40,000 heat pumps to low-income individuals by 2030 — which compared the goal of installing 275,000 heat pumps by 2027, is a large distinction by percentage. Moreover is this dynamic for your consideration, in 2025, the state exceeded their previous goal of 100,000, which is an enormous accomplishment. But at that point, rather than perhaps taking the initiative to expand additional resources to those who need more support per rebate to make such an installation, setting a goal nearly twice the previous was the decided choice.



⁵ See https://www.energymaine.com/docs/TPVI_Appendix_F_Summary_of_Initiatives_Serving_Low_Income_Customers_11-24.pdf

⁶ Additional references include the analysis of the Equity Subcommittee (Report, Page 14-16: https://www.maine.gov/future/sites/maine.gov/future/files/inline-files/Maine%20Climate%20Council_Equity%20Subcommittee%20Final%20Report_March%202023.pdf); and discussed in the report of the Transportation Working Group of the Maine Climate Council, Page 50-51: <https://www.maine.gov/future/sites/maine.gov/future/files/inline-files/Maine%20Clean%20Transportation%20Roadmap.pdf>).

New Heat Pumps: Low-Income



Source: Efficiency Maine & MaineHousing. Note: Efficiency Maine's reported numbers are aggregated to their fiscal year which runs from July 1 of the previous year to June 30 of the stated year. MaineHousing's reported numbers are based on a given calendar year.

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Bigger picture, there are currently no such requirements relating to percentage in statute for low- and moderate-income people according to my knowledge and research. However, I have summarized a few related statutory and self-set goals by associated entities implicating this resolve in Section 2:

Statute: “The statute states that the Trust shall advance the state’s goal of, for the period beginning January 1, 2020, and ending January 1, 2030, weatherizing 35,000 homes and businesses, with at least 10,000 of such weatherization projects completed in low-income households through the combined efforts of the Trust and the Maine State Housing Authority. This goal mirrors the target set forth in Maine’s 2020 climate action plan.” Via Page 2 of https://www.energymaine.com/docs/TPVI_Appendix_F_Summary_of_Initiatives_Serving_Low_Income_Customers_11-24.pdf

Efficiency Maine Trust: The current goal set via Efficiency Maine Trust’s Triennial Plan is thus: “...consistent with Maine’s climate action plan, the Trust set as a further goal that 15,000 heat pump installations should be in income-eligible homes by 2025, and will work with MaineHousing to achieve this goal.” Via Page 3

of https://www.energymaine.com/docs/TPVI_Appendix_F_Summary_of_Initiatives_Serving_Low_Income_Customers_11-24.pdf

Maine Climate Council: 40,000 heat pumps to low-income individuals by 2030 (— which compared the goal of installing 275,000 heat pumps by 2027, is a large distinction by percentage. In 2025, the state exceeded their previous goal of 100,000, rather than perhaps taking the initiative to expand additional resources to those who need more support to make such an installation. Via Page 2 and Page 60 of the Maine Climate Council's Nov. 2024 Report) See https://www.maine.gov/climateplan/sites/maine.gov.climateplan/files/2024-11/MWW_2024_Book_112124.pdf; Page 60 and Page 172 of Maine Climate Council's Nov. 2024 report.

Additional Targets

Additional targets will indicate whether Maine is on track to meeting its emission goals and whether climate, energy, and resilience policies and programs are being implemented equitably.

	Target
Heat pumps in low-income households	40,000 by 2030
Low-income homes weatherized	10,000 by 2030
New or renovated energy-efficient affordable housing units	1,500 per year
Percent of light-duty EV rebate funding to low- and moderate-income (LMI) households	50%
Percent of climate infrastructure and resilience investments in underserved communities	40%
Low- and moderate-income households with rooftop solar and/or enrolled in community solar projects	15,000 by 2030
Publicly funded EV charging ports	700 publicly funded EV charging ports by 2028
Clean-energy jobs created	30,000 by 2030
New registered apprentices	7,000 by 2030
Renewable electricity usage in Maine	80% by 2030

The beginnings of this bill came to me as a consequence of legislation I introduced last session in front of the Joint Select Committee on Housing (L.D. 1437)⁷. I was fortunate to have a few detailed conversations with Director Stoddard about the way Efficiency Maine allocates rebates and prioritizes different people in relation to their ability to make these efficiency investments.

⁷ See https://legislature.maine.gov/legis/bills/display_ps.asp?LD=1437&snum=131.

I came to understand much better why the Trust works the way that it does, and why it is so economical to distribute certain rebates at lower amounts to those who have the capital to invest the majority of the cost. This does allow the Trust to reach more people with their rebate programs. At the same time, they absolutely do acknowledge a concern about “free riders.” This is a notion described as the situation where individuals who can pay the full cost, or would make this purchase anyway, benefit from the rebate anyway.

The Trust ultimately did not support the legislation we had been in discussion around last session for reasons that are completely understandable and in line with the statutory obligation of the Trust. It led me to the conclusion that if I wanted to see changes in the priority and allocation of rebates, it would require a more formal and robust discussion in front of this committee weighing the difficult decisions and competing values that guide the work of increasing efficiency for Maine people and businesses.

Section 3: Prevailing Wage

After this bill was printed, I was fortunate to hear from the Maine Labor Climate Council about the reality that this bill rooted in economic justice was failing in a few key ways. On the one hand, I want to ensure a fairer playing field for those who receive rebates, but I had overlooked those we rely on to do this work. By ensuring all employers that receive state-funded rebates pay prevailing wage, this bill seeks a balanced and comprehensive reform. In a similar vein, the Registered Apprenticeship component establishes a structured approach to ensure that employers benefiting from state rebates are fully committed to recruiting, training, and retaining the next generation of workers. This framework is built on the foundation of a time-tested and effective model, which incorporates industry-leading best practices to foster a skilled and sustainable workforce. By adhering to this model, employers can contribute to developing a strong talent pool while enhancing their own workforce development strategies.

Section 4: Efficiency Maine Trust & Maine State Housing Authority Collaboration

The intent of the final section is to direct action on a specific dynamic being faced by Maine Housing now for the purposes of ensuring complete use of a funding source for low-income Mainers. The intent is to provide sufficient EMT funding to ensure that all Weatherization Assistance Program (WAP) funds are utilized on an annual basis and that all Bipartisan Infrastructure Law (BIL) funds are expended no later than December 31, 2029. You will hear more from Maine Housing, Efficiency Maine, and the Maine Labor Climate Council on their perspectives regarding the technical requirements and language necessary to fulfill the intention of this language.

Conclusion:

At the risk of repeating myself, I want to conclude by expressing again that I look forward to the dialogue I hope this public hearing could represent. I recognize this bill comprises many issues, of efficiency, poverty, labor, and transportation.

Outside of the sponsor amendment of sections three and four to this bill, I want to uplift for your consideration those who come forward to discuss commercial rebates, and the way the

trust might further the work of economic justice for renters in the state of Maine. This issue was not contemplated in my bill, but I have appreciated hearing from advocates at the intersection of climate and economic justice have challenged me to consider this issue, in particular.

I would be happy to answer any questions that you have for me, but I also look forward to hearing from a variety of experts and advocates, including the Maine Labor Climate Council, among many others.