



Natural Resources Council of Maine

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Testimony Against LD 946, Resolve, to Increase Access to Energy Efficiency Programs by Low-income and Moderate-income Residents

**To the Joint Committee on Energy, Utilities and Technology
by Rebecca Schultz
Senior Advocate for Climate and Clean Energy
March 26, 2025**

Senator Lawrence, Representative Sachs, members of the Energy, Utilities and Technology Committee, my name is Rebecca Schultz, and I am a Senior Advocate for Climate and Clean Energy with 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 against the sponsor's March 21 amendment to LD 946, Resolve, to Increase Access to Energy Efficiency Programs by Low-income and Moderate-income Residents.

By lowering wholesale market prices, reducing air pollution, and limiting the damage caused by climate change, clean energy adoption benefits everyone. Yet NRCM believes strongly that Maine's climate and clean energy policies must center economically vulnerable Mainers to ensure they have access to the direct cost-saving benefits of clean energy. And we wholeheartedly support what we take to be LD 946's intent: to ensure that low- and moderate-income residents have access to state programs to accelerate the adoption of energy efficient and cost-saving technologies like electric vehicles (EVs), heat pumps and other efficient appliances, and that these investments in our economy create high quality jobs for Maine workers.

In practice, however, we are concerned with the approach that LD 946 takes and how it could hamper the ability of Efficiency Maine Trust ("the Trust") to run its programs.

The Trust provides crucial benefits to Maine families and business. Its most recent Triennial Plan VI (2026-2028), if implemented, is projected to push down electric rates statewide by over \$490 million over the lifetime of those investments.

Under current laws and obligations, the Trust is subject to unequivocal objectives and fiduciary responsibilities that could conflict with allocating a large, predetermined amount of its budget for a target consumer group.

For instance, under its electric procurement, the Trust is bound by law to “help reduce energy costs for electricity consumers in the State by the maximum amount possible.”¹ Likewise, Regional Greenhouse Gas Initiative (RGGI) funds are subject to the statutory condition that they be used for efficiency and emission reduction measures with “the highest benefit-to-cost ratio.”²

In practice, Efficiency Maine Trust is already directing increasing attention to low-income Mainers. It’s Triennial Plan VI, which underwent a lengthy public stakeholder process in 2024 and is currently pending approval before the Public Utilities Commission, proposes to nearly double funding to initiatives serving low-income customers, from \$55 million to more than \$105 million over the plan period (see Table 1).³

Table 1: TPVI Budgets for Initiatives Serving Low-Income Customers

Program/Initiative	FY2026	FY2027	FY2028	Total
Portion of Income-Eligible Initiatives	\$24,160,870	\$28,149,067	\$33,528,998	\$85,838,934
Portion of C&I Prescriptive Initiatives	\$3,446,856	\$3,455,864	\$3,465,097	\$10,367,817
Portion of Distributor and Retail Initiatives	\$2,168,320	\$2,365,440	\$2,562,560	\$7,096,320
Portion of EV Initiatives	\$542,400	\$748,512	\$943,125	\$2,234,037
Portion of Demand Management Program	\$89,280	\$123,206	\$155,240	\$367,726
Total	\$30,407,726	\$34,842,089	\$40,655,020	\$105,904,835

Source: Efficiency Maine Trust Triennial Plan VI, Appendix F

Section 1 of the bill, pertaining to EV rebates, is not necessary given the Trust’s current programming decisions. The forthcoming Triennial Plan proposes limiting all residential EV rebates to income-eligible customers only. According to the Trust, this strategy will “target low- and moderate-income households, businesses, non-profits and governments, as they are most likely to be deterred by the incremental cost of an EV. In addition to having greater challenges or reluctance to overcome the incremental cost barrier, these customers also are less likely to benefit from available federal tax credits and will therefore be more reliant on a rebate to enter the EV market.”⁴

Other existing low-income targets and obligations for funding at the Trust include:

¹ 35-A, section 10110 (2), <https://legislature.maine.gov/statutes/35-A/title35-Asec10110.html>

² 35-A, section 10109 (4), <https://legislature.maine.gov/statutes/35-A/title35-Asec10109.html>

³ Efficiency Maine Trust, Triennial Plan VI, Appendix F, Summary of Initiatives Serving Low-Income Customers, [https://www.efficiencymaine.com/docs/TPVI Appendix F Summary of Initiatives Serving Low Income Customers 11-24.pdf](https://www.efficiencymaine.com/docs/TPVI%20Appendix%20F%20Summary%20of%20Initiatives%20Serving%20Low%20Income%20Customers%2011-24.pdf).

⁴Efficiency Maine Trust, Triennial Plan VI, Appendix L Electric Vehicle and Public Electric Vehicle Charging, Analysis and Considerations, p 4, [https://www.efficiencymaine.com/docs/TPVI Appendix L1 Electric Vehicle and Public Electric Vehicle Charging Analysis and Considerations 11-24.pdf](https://www.efficiencymaine.com/docs/TPVI%20Appendix%20L1%20Electric%20Vehicle%20and%20Public%20Electric%20Vehicle%20Charging%20Analysis%20and%20Considerations%2011-24.pdf).

- Under 35-A M.R.S. section 10110, pertaining to the Electric Efficiency and Conservation Fund, the Efficiency Maine Trust is bound to a minimum mandatory budget allocation of 10% of funds to programs for low-income residential consumers.⁵ In its Triennial Plan VI, the Trust reports that it plans to spend \$23 million in excess of that minimum requirement (see Table 2).⁶
- The Home Energy Rebates program, federally funded through the Inflation Reduction Act (IRA), requires that a minimum of 40% of rebate funding go toward low-income households, including 10% to the low-income multifamily sector.
- Forty percent of the funds from the federal Greenhouse Gas Reduction Fund (GGRF) slated to capitalize the Maine Green Bank must support investments in low income and/or disadvantaged communities.
- The Trust in conjunction with the Maine State Housing Authority has a goal of weatherizing a minimum of 10,000 low-income homes between 2020-2030, out of a total of 35,000 homes and businesses.
- Consistent with the state's climate action plan (38 M.R.S. section 577), the Trust has a goal of installing 15,000 heat pumps in income-eligible homes by 2025. The Trust continues to offer rebates on supplemental heat pumps to eligible low-income households only.⁷

Table 2: Triennial Plan VI Low Income Electric Budget

Program	FY2026	FY2027	FY2028	Total
Portion of Income-Eligible Home Programs	\$12,700,049	\$16,117,049	\$20,740,049	\$49,557,146
Portion of Retail and Distributor Initiatives	\$292,320	\$-	\$-	\$292,320
Portion of EV Initiatives	\$542,400	\$748,512	\$943,125	\$2,234,037
Portion of Demand Management Program	\$89,280	\$123,206	\$155,240	\$367,726
Total	\$13,624,049	\$16,988,767	\$21,838,414	\$52,451,230
10% of Fund's Total Program Budget	\$7,785,094	\$9,659,705	\$11,989,483	\$29,434,282
Variance	\$5,838,955	\$7,329,062	\$9,848,931	\$23,016,948

Source: Efficiency Maine Trust Triennial Plan VI, Appendix G

⁵ Efficiency Maine trust is also required by statute to provide a low-income energy efficiency program for customers who participate in a utility's arrearage management program (35-A M.R.S. § 10110, sub 2.L).

⁶ Efficiency Maine Trust, Triennial Plan VI, Appendix G, Statutory Budget Allocation Requirements, November 5, 2024, https://www.efficiencymaine.com/docs/TPVI_Appendix_G_Statutory_Budget_Allocation_Requirements_11-24.pdf.

⁷ These and other related programs and policies are described in Efficiency Maine Trust, Triennial Plan VI, Appendix F, Summary of Initiatives Serving Low-Income Customers, https://www.efficiencymaine.com/docs/TPVI_Appendix_F_Summary_of_Initiatives_Serving_Low_Income_Customers_11-24.pdf.

The Trust does an excellent and difficult job of weaving together numerous, irregular and often ephemeral funding streams, each with their own constraints and conditions, to provide important and high-quality services to Maine homes and businesses.

Many of these funding sources are now in jeopardy due to the upheavals in the federal government, putting additional burdens on the agency in contingency planning and stopgaps measures. Last week brought an announcement that the federal government was canceling \$15 million that had been awarded to Maine for heat pumps and energy efficiency,⁸ an issue that will now have to be settled in court.⁹

While we share what we take to be the sponsor's concern that Maine's clean energy transition must center the interests of economically vulnerable populations, we are also concerned about the administrative burden this could put on a trusted and effective agency, and the contractors that perform much of this work, during a difficult and uncertain time.

For these reasons, we urge caution, and for the Committee to vote Ought Not To Pass on LD 946.

If more resources should be dedicated to low-income program recipients, the answer is not to restrict funding but to increase it for these important programs that reduce Mainers' electric rates and emissions.

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

Thank you.

⁸ Maine loses \$15M for energy efficiency, heat pump loans, Portland Press Herald, March 13, 2025, <https://www.pressherald.com/2025/03/13/maine-loses-15m-for-energy-efficiency-heat-pump-loans/>

⁹ Efficiency Maine sues to release climate funding, Maine Public, March 20, 2025, <https://www.mainepublic.org/climate/2025-03-20/efficiency-maine-sues-to-release-climate-funding>.