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Testimony Neither For Nor Against
LD 946, "A Resolve, to Increase Access to Energy Efficiency Programs by Low-income and Moderate-income Residents"

Senator Lawrence, Representative Sachs, and distinguished members of the Joint Standing Committee on Energy, Utilities and Technology,

My name is Heather Sanborn, here today as Public Advocate, to testify neither for nor against LD 946, "Resolve, to Increase Access to Energy Efficiency Programs by Low-income and Moderate-income Residents."

We understand the concerns that may underlie this bill. As the clean energy transition and beneficial electrification continue to be incentivized in Maine, it is critical that low- and moderate-income (LMI) consumers are not left behind. In the past, the Efficiency Maine Trust (EMT) was criticized for not placing sufficient emphasis on this use of its funds. In fact, when I sat on the EUT Committee 8 years ago, virtually none of EMT's programs were targeted or even particularly accessible to LMI consumers. However, the same cannot be said today.

Over the last three years, EMT has adopted program strategies to improve access for LMI consumers, including shifting to a tiered rebate design. This effective approach gives low-income and moderate-income consumers progressively larger financial incentives to reflect their increased barriers to upfront project costs. EMT has expanded their outreach approaches to target these market segments. Significantly, EMT, working with GEO and MaineHousing has won competitive federal grants targeted at LMI programs including $10 million in heat pump retrofits for mobile homes. EMT's proposed Triennial Plan continues this focus. For example, the proposed plan would limit all of EMT's EV funding to low- and moderate-income, businesses, and government entities. We support EMT in shifting its focus toward LMI consumers. As a result, we are hesitant to impose arbitrary percentage requirements on these program design decisions.

The OPA is also concerned about the proposed amendment to the bill requiring that State Prevailing Wage standard to be applied to contractors to qualify to do work for customers who are receiving EMT funds. The State Prevailing Wage tables are not designed for this kind of work and could increase both the cost and complexity of EMT's programs. The State Prevailing Wage tables do not include information applicable to the "Building 1" category of work – i.e. work on single and two family homes.[1] This is because the prevailing wage requirement applies only to state-funded projects that are over $50,000. The Prevailing Wage standard is designed for large, publicly funded infrastructure projects. It is a poor fit for EMT's programs, which usually involve small jobs (less than $15,000) in individual consumer's homes, funded in large part by the consumer themselves. Much of the work that is partially funded through EMT programs is done by contractors in small businesses or microenterprises owned by the tradesperson themselves.

Thank you for your time, attention, and consideration of this testimony. The Office of the Public Advocate looks forward to working with the Committee on LD 946 and will be available if requested for the work session to assist the Committee in its consideration of this bill.

Respectfully submitted,

Heather Sanborn
Public Advocate

[1] MDOL: Prevailing Wage Listed by County page, www.maine.gov/labor/labor_stats/publications/wagerateconst/prevailingwage/index.shtml