



**Testimony in Support of LD 2037, An Act to Update the Regional Greenhouse Gas
Initiative Allowances**

**To the Committee on Environment and Natural Resources
by Jack Shapiro, Climate and Clean Energy Program Director
January 21, 2026**

Senator Tepler, Representative Doudera, members of the Environment and Natural Resources 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 20,000 members and supporters, NRCM testifies in support of LD 2037, An Act to Update the Regional Greenhouse Gas Initiative Allowances.

The Regional Greenhouse Gas Initiative (RGGI) is one of Maine's most successful energy efficiency and climate programs. Established nearly two decades ago, RGGI requires large polluting power plants to pay a fee for every ton of pollution they create. This generates a funding stream that is reinvested back in Maine while incentivizing power plants to reduce pollution.

Based on the foundational "polluters pay" principle, RGGI has brought enormous benefits to Maine, giving us less of what we don't want – carbon pollution and damaging climate impacts – and more of what we do – investments in Maine that deliver proven energy savings.

Between 2009 and 2024, our state received a total of more than \$246 million in funding, the vast majority of which has been invested in improving energy efficiency and saving money for Maine households and businesses through the Efficiency Maine Trust while further reducing emissions.¹ In 2023 alone, RGGI investments saved more than \$130 million in avoided energy costs, money that stays in Mainers' bank accounts.² A significant portion of RGGI funding in Maine goes to working families struggling with rising energy costs. Last fiscal year, about \$12.6 million went to Efficiency Maine's low-income initiatives, including heat pump and weatherization programs designed to lower energy bills.

¹ Maine Department of Environmental Protection, Maine Public Utilities Commission, Efficiency Maine Trust. *Regional Greenhouse Gas Initiative (RGGI) 2024 Annual Report*. March 12, 2025. <https://www.maine.gov/tools/whatsnew/attach.php?id=13159320&an=1>

² Regional Greenhouse Gas Initiative. *The Investment of RGGI Proceeds in 2023*. July 2025. https://www.rggi.org/sites/default/files/Uploads/Proceeds/RGGI_Proceeds_Report_2023.pdf

LD 2037 adopts the 3rd RGGI program review, where participating states have agreed on emissions trajectories that will continue to incentivize pollution reductions from power plants and generate reinvestment revenue for states.

Passing LD 2037 specifically authorizes Maine's share of emissions allowances to be auctioned, bringing revenue to Maine and ensuring that Maine's environment, economy, and people continue to benefit from this successful program.

Failing to pass LD 2037 in contrast will take millions of dollars of revenue from Maine's successful energy efficiency and electrification programs that benefit Mainers all across the state.

RGGI benefits Maine's economy, invests in energy efficiency, makes us less dependent on out-of-state fossil fuels, and is one of the most cost-effective ways for Maine to reach our climate and clean energy goals.

For these reasons we strongly encourage the Committee to vote Ought to Pass on LD 2037.

I would be happy to answer any questions you have.

Thank you.