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## TESTIMONY BEFORE THE ENERGY, UTILITIES AND TECHNOLOGY COMMITTEE

## An Act To Facilitate Maine's Climate Goals by Encouraging Use of Electric Vehicles L.D. 347

## GOVERNOR'S ENERGY OFFICE February 25, 2021

Senator Lawrence, Representative Berry, and Members of the Joint Standing Committee on Energy, Utilities and Technology (EUT): My name is Dan Burgess and I am the Director of the Governor's Energy Office (GEO).

The GEO testifies neither for nor against L.D. 347.

Over half of Maine's carbon dioxide emissions come from the transportation sector.<sup>1</sup> In order for the state to meet its climate and greenhouse gas reduction targets, the transportation sector will need to utilize low or zero carbon fuel sources, including beneficial electrification. The transition to electric vehicles (EVs) will have significant impacts on the electric grid and the need for demand management strategies.

The Maine Climate Council's Climate Action Plan, *Maine Won't Wait*<sup>2</sup>, outlines and highlights the importance of promoting and advancing electric vehicles in order to reduce emissions from the transportation sector. The Climate Council acknowledges the challenges in pursing beneficial electrification of transportation and recommended further analysis and stakeholder engagement to determine the best path forward for Maine. Therefore, the GEO and Governor's Office of Policy Innovation and the Future (GOPIF) in coordination with Efficiency Maine Trust, Maine Department of Environmental Protection, and Maine Department of Transportation will be leading a Clean Transportation Roadmap planning process. The state will engage a consultant to assist with this process, and will include opportunities for stakeholder participation, with the goal of completing a Clean Transportation Roadmap by the end of 2021. The charge from the Climate Council is to establish this statewide Clean Transportation Roadmap to identify necessary policies, programs, and regulatory changes needed to meet the state's EV and transportation emissions-reduction goals including strategic planning, incentive programs, charging infrastructure, consumer engagement, as well as transition and equity considerations.

L.D. 347 proposes an avenue to address a component of this shift to electrification of vehicles. The legislation directs transmission and distribution utilities to develop and submit to the Public Utilities

<sup>&</sup>lt;sup>1</sup> Maine Department of Environmental Protection. *Eighth Biennial Report on Progress toward Greenhouse Gas Reduction Goals*. 2020. <u>https://www.maine.gov/dep/publications/reports/index.html</u>

<sup>&</sup>lt;sup>2</sup> Maine Climate Council. *A Four Year Plan for Climate Action: Maine Won't Wait.* 2020. https://www.maine.gov/future/sites/maine.gov.future/files/inline-files/MaineWontWait\_December2020.pdf

Commission (PUC) a proposed incentive rate schedule to promote the installation and operation of electric vehicle charging stations. Encouraging efficient and effective timing for charging electric vehicles in a way that avoids peak demand times on the grid could have a number of benefits for both those charging vehicles as well as other ratepayers on the system. However, the GEO would like to work with the sponsor and other stakeholders to ensure this is the best next step to encourage EVs and efficient time-of-use charging. Additionally, with the language of 'incentive rate' the GEO has some questions around ensuring reasonable costs and cost allocation.

The GEO is greatly appreciative of the support for EVs and interest in designing EV charging policies that enhance the grid and provide benefits to the people of Maine, and looks forward to working with the Committee on this and other issues.

Thank you for your consideration.

Dan Burgess, Director Governor's Energy Office