



**Testimony in Opposition to LD 634, An Act to Cap the Value of Contracts for Renewable Resources and Distributed Generation Resources**

**By David Costello, Climate & Clean Energy Program Director**

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Senator Lawrence, Representative Berry, and distinguished members of the Energy, Utilities, and Technology Committee. My name is David Costello. I am the Climate and Clean Energy Program Director at the Natural Resources Council of Maine (NRCM), and I am testifying today in opposition to LD 634, *An Act to Cap the Value of Contracts for Renewable Resources and Distributed Generation Resources in Maine*.

**Addressing Climate Change and Bolstering Maine's Economy**

Increasing Maine's in-state renewable energy generation and distribution is central to our efforts to reduce the harmful health, economic, and environmental impacts of climate change. It is also key to maximizing the tremendous employment and economic opportunities associated with Maine's accelerating clean energy transition. This positive transition toward cleaner energy sources has already begun to support local jobs and businesses; lower electricity bills; increases in state and local revenues; and initial investments in a more reliable and resilient electric grid. LD 634 would undermine this important transition and hamper Maine's employment and revenue growth at a critical time. It would also slow our urgent efforts to address climate change.

The landmark climate and renewable energy bills passed in 2019 are doing exactly what they were supposed to do, make Maine an attractive location for solar energy development and investment. This outcome should be celebrated, not undermined.

Maine residents, businesses, and communities are benefitting extensively from the millions of dollars invested in renewable energy projects thus far and stand to benefit even further from the hundreds of millions that will go toward planned projects in the years ahead - if state policies remain welcoming.

**Benefits of Renewable Energy Projects Vastly Outweigh Costs**

The benefits of expanding renewable energy development and usage in Maine are considerable. Among them:

- Significant reductions in Maine's carbon emissions and other air pollutants - contributing to substantial public health and environmental gains and savings.
- Greater investment in in-state energy generation and jobs. Maine currently sends more than \$4 billion out-of-state annually to pay for the energy that we consume. Imagine the

increase in economic output if we were to invest and spend these energy dollars here in Maine.

- Millions of dollars in increased revenues for Maine businesses and communities.
- Decreased reliance on out-of-state and out-of-country energy sources.
- A more modern, reliable, and secure electric grid.
- Energy sources that are inexhaustible, and, unlike fossil fuels, energy costs that are likely to decrease, not increase over time.

### **Some Statutory Adjustments May Be Welcome**

While slight adjustments to Maine's renewable energy programs and procurements may be warranted, they should only be made after careful stakeholder-engaged examination and deliberation. LD 634 would not constructively "tweak" Maine's renewable energy laws, but rather place an unreasonable cap on renewable energy contracts and distributed generation procurements that would severely hamper in-state generation of renewable energy and the growing employment and other benefits associated with its development. For these reasons, NRCM strongly opposes LD 634. Thank you for your consideration, and I welcome any questions that you may have.