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## TESTIMONY BEFORE THE ENERGY, UTILITIES AND TECHNOLOGY COMMITTEE

### An Act To Provide Climate Change Transition Assistance for Maine's Energy-intensive Businesses L.D. 1554

GOVERNOR'S ENERGY OFFICE  
April 27, 2021

Senator Lawrence, Representative Berry, and Members of the Joint Standing Committee on Energy, Utilities and Technology (EUT): My name is Melissa Winne and I am the Energy Policy Analyst for the Governor's Energy Office (GEO).

The GEO testifies neither for nor against L.D. 1554.

This proposed legislation would create the Industrial Climate Transition Fund administered by the Efficiency Maine Trust that uses Regional Greenhouse Gas Initiative (RGGI) funds to provide loans to energy-intensive businesses in Maine to invest in energy efficiency. After 5 years the loan is forgivable if the business meets certain criteria.

Improving efficiencies and reducing emissions from Maine's industrial sector is a component to achieving Maine's climate goals. It also presents significant challenges, which may establish a need for technical and financial support to improve energy efficiency and reduce their overall emissions.

The Maine Climate Council recognized both the importance of reducing greenhouse gas emissions in the industrial sector, including through increased energy efficiency, as well as the challenges associated with that transition. The Climate Action Plan recommends that "In an effort to stem future industrial emissions increases and find innovative pathways for the long-term reductions required for Maine's 2050 goals, the Maine Climate Council should create an Industrial Task Force of Climate Council members with interest and expertise, as well as outside stakeholders, to focus on solutions to address industrial emissions over time, while supporting continued economic growth in this important sector."<sup>1</sup> When launched, this Industrial Task Force may be able to provide suggestions for programs, technologies, and funding streams that can aid the sector in improving energy efficiency and reducing their emissions. It may be practical to learn from this group of experts prior to making significant additional investment decisions in support of this shared objective, particularly as those decisions may impact current program offerings at Efficiency Maine Trust.

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<sup>1</sup> Maine Climate Council. A Four-Year Plan for Climate Action: Maine Won't Wait. December 2020.  
[https://www.maine.gov/future/sites/maine.gov/future/files/inline-files/MaineWontWait\\_December2020.pdf](https://www.maine.gov/future/sites/maine.gov/future/files/inline-files/MaineWontWait_December2020.pdf)

The Governor's Energy Office is supportive of investing in energy-intensive businesses and the industrial sector energy efficiency. However, there are some concerns around creating this additional sector-specific carve out of the RGGI funding. Providing flexibility for Efficiency Maine Trust to utilize funding in the most efficient way and make adjustments as needed is vital to the success of the programs. It may be more prudent to consider the programs that are already available through Efficiency Maine Trust and considering future recommendations from the Industrial Task Force of the Maine Climate Council when it is established.

Thank you for your consideration and I welcome any questions.

A handwritten signature in black ink that reads "Melissa Winne". The signature is written in a cursive, flowing style.

Melissa Winne, Energy Policy Analyst  
Governor's Energy Office