



**Testimony of the Environmental Priorities Coalition
In Support of LD 1659**

“An Act To Create the Maine Clean Energy and Sustainability Accelerator”

Before the Committee On Energy, Utilities and Technology

May 12, 2021

Good day Senator Lawrence, Representative Berry and members of the Committee On Energy, Utilities and Technology. My name is Beth Ahearn and I am testifying on behalf of the Environmental Priorities Coalition (EPC) in support of LD 1659, “An Act To Create the Maine Clean Energy and Sustainability Accelerator”. The EPC is a partnership of thirty-two conservation, environmental, and public health organizations. You can find the list of organizations at the bottom of this testimony. We represent over 120,000 members in Maine and work together to protect the good health, good jobs, and way of life that our environment provides. This year, LD 1659 is one of ten priority bills that are part of the EPC’s shared legislative agenda. Thank you to Rep. Ziegler for sponsoring this legislation.

Financing is essential to rapid, equitable deployment of climate solutions; LD 1659 would create a funding mechanism for those solutions. Many of the recommendations of Maine’s Climate Action Plan—including renewable energy and climate resilience—require financing. Yet even when capital is available, it may not be practically accessible. Traditional financing methods aren’t always well-suited to clean energy projects due to perceived risks, unfamiliar technology, and information gaps about project value and projects. LD 1659 would draw from the successful “Green Bank” model to create a Clean Energy & Sustainability Accelerator that uses innovative financing to accelerate the transition to clean energy. Accelerators are designed to reduce these market barriers in order to lower

interest rates, increase access to funding, and maximize clean energy deployment as quickly as possible.

Importantly, LD 1659 directs 40% of funds to low-income and other vulnerable communities. Financing is especially important for low-income households, which disproportionately bear the cost of fossil fuels and the impacts of climate change. Climate solutions must work for *everyone*.

How will it work? Clean Energy & Sustainability Accelerators—also known as Green Banks—leverage public and private investment to drive capital into climate solutions and support clean energy jobs. Accelerators make it easier to finance clean energy and energy efficiency projects by standardizing the underwriting process and reducing risk for local lenders. Accelerators can underwrite loans directly, then aggregate them to achieve efficiencies of scale and replace public dollars with private capital. Leveraging private investments can multiply funds by 3x-8x, significantly increasing the impact of public funds and enabling more clean energy deployment, job creation, and consumer savings. Investing \$100 million through the Accelerator could create more than 1,600 Maine jobs in its first 5 years.

This Green Bank model is not new; it has a record of success in other states. Connecticut's Green Bank has driven more than \$2 billion in clean energy investments over the last decade. Establishing an Accelerator will prepare Maine to maximize proposed federal funding without state investment. Proposed federal legislation, supported by the Biden administration, would create a \$35 billion national Clean Energy & Sustainability Accelerator, which would pass funds to state-level efforts.

Finally, this effort has much support with the public. National polling indicates that 70% of voters support the creation and funding of a National Climate Bank, including a majority of Independents and Republicans. LD 1659 would create an Accelerator within Efficiency Maine, preparing the state to receive and maximize federal funds without committing state dollars.

Thank you for the opportunity to present this testimony and I am happy to answer any questions.

Environmental Priorities Coalition

Maine's Environmental Priorities Coalition is a partnership of 32 environmental, conservation, and public health organizations representing over 100,000 members who want to protect the good health, good jobs, and quality of life that our environment provides.

We are counting on Maine policymakers to take the important steps needed to protect Maine's extraordinary environment so Maine people and Maine communities can thrive.

