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THE MAINE SENATE

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Sponsor's Testimony in Support of LD 1556

Resolve, To Create the Commission To Study and Recommend a Financing Model To Increase Capital Investment in Renewable Energy, Clean Energy Technology, Energy Efficiency Projects and Jobs in Maine (Emergency Measure)

Good morning Senator Lawrence, Representative Berry, and esteemed members of the Committee on Energy, Utilities and Technology. I am Anne Carney, representing the people of Senate District 29, South Portland, Cape Elizabeth and part of Scarborough. It is an honor to be before you today to introduce LD 1556 a Resolve To Create the Commission To Study and Recommend a Financing Model To Increase Capital Investment in Renewable Energy, Clean Energy Technology, Energy Efficiency Projects and Jobs in Maine.

Senator Brownie Carson's plaintive plea, at the Climate Council meeting shortly before "Maine Won't Wait, A Four-Year Plan For Climate Action" was issued, inspired this legislation. Sen. Carson said: "We have to figure out how to pay for this now!" The Resolve establishes a fast-track process to ensure Maine's establishes a financing entity that meets our greatest need for capital and aligns with state policy goals. The Commission will complete its work and report out by December 1.

I began working on this legislation by asking two questions:

- Where is the greatest need for capital?
- How can we maximize the impact of available capital to achieve the goals of the climate plan?

I spoke with many stakeholders, and you will hear from most of them during the two hearings today. There was not a consensus about the greatest need for capital. Abe Wapner from the Coalition For Green Capital described to me the needs assessment or gaps analysis that his organization has done for a variety of states, most recently Minnesota I believe. He indicated that there is no one 'right' answer. Every state's "green bank" or financing model will be different, reflecting local needs and opportunities. As I followed up with the stakeholders, a strong consensus emerged in support of an analysis of Maine's unmet need for capital to fund renewable energy, clean energy technology, and energy efficiency projects.

Section 5, paragraph 1 of the bill authorizes the Commission to conduct an analysis of the unmet need for capital. I am offering an amendment to include "infrastructure resilience and climate adaptation projects" in paragraph 1, and to add clarifying language in paragraph 2. The amendment is attached to this testimony.

Section 7 authorizes the Commission to engage private consultants to perform the gaps analysis, and Section 8 asks the Commission to seek outside funding to pay the cost of the study. I will work with the Commission to secure the outside funding needed to complete a thorough study of the unmet need for capital. The gaps analysis is the most important part of the Resolve and really is critical to guiding our decisions about funding climate work.

Stakeholders provided significant information about how to maximize the impact of available capital to achieve the goals of the climate plan. Much of their feedback was consistent, and together this information forms the factors relevant to recommending a specific model to increase capital investment in renewable energy, clean energy technology and energy efficiency projects. Those factors are set out in Section 5, paragraph 3 of the bill.

Section 5 concludes by charging the Commission with recommending an organizational entity that can support the financing model, provide coordination of programs, and serve as a “hub” for the expertise Maine needs to secure the capital Maine people and businesses need to meet our goals to reduce greenhouse gas emissions. That’s the bottom line: we must make sure the “green bank,” accelerator, or other entity is focused on implementing the strategies in Maine’s climate action plan and achieving Maine’s goals to reduce greenhouse gas emissions.

As I was working on the Resolve, I learned that my colleague Representative Ziegler planned to offer legislation he has been working on for several years. I am honored to have Representative Ziegler as the lead cosponsor on LD 1556. I am also honored to be lead cosponsor on LD 1659, An Act To Create The Maine Clean Energy And Sustainability Accelerator.

The two bills do not present this committee with an “either/or” decision. The gaps analysis called for in the Resolve would allow us to tailor the financing entity to Maine's needs, maximize the impact of available capital, and implement the strategies outlined in the climate action plan. The bipartisan Commission and public process created by the Resolve would build a broad coalition of support for the entity and help it thrive over the decades or even centuries of climate work that lay ahead of us.

I urge you to support both measures. I am happy to answer your questions.

Amend **Sec. 5** by striking and adding to subparagraphs 1 and 2, page 2, lines 15 – 20, as follows:

- 15 **Sec. 5. Duties. Resolved:** That in performing its study the commission shall:
- 16 1. Conduct an analysis of the unmet need for capital to fund renewable energy, clean
- 17 energy technology, ~~and~~ energy efficiency, infrastructure resilience and climate adaptation
- 18 projects in the State;
- 19 2. Examine financing models and identify a model or models that would improve
- 20 Maine businesses' and residents' access to capital and ability to complete renewable
- energy, clean energy technology, ~~and~~ energy efficiency projects and property assessed
- clean energy projects;