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JULIE A. ROSENBACH
Sustainability Director

Testimony in Support of LD 1659

"An Act To Create the Maine Clean Energy and Sustainability Accelerator"

HEARING DATE: May 12, 2021

Senator Lawrence, Representative Berry, and members of the Joint Standing Committee on Energy, Utilities and Technology:

I am the Sustainability Director for the City of South Portland, and I am here today to speak in support of LD 1659 "*An Act To Create the Maine Clean Energy and Sustainability Accelerator.*" I support this bill because it will provide an essential financial pathway for meeting our climate and clean energy goals.

I would like to share three points from a municipal perspective to underscore our support:

We cannot achieve our greenhouse gas emissions reduction goals without decarbonizing our building stock.

Over the past few years South Portland and Portland have championed and enacted policies to improve building energy performance and promote a transition to renewable energy. We advocated for a strong commercial and institutional solar policy, updated building energy codes with a "stretch code" option (which we hope will ultimately move new buildings toward zero net emissions), and enacted Energy Benchmarking ordinances to promote voluntary efficiency improvements in existing buildings.

If we are to continue to move forward with more impactful policies such as building performance standards, minimum energy efficiency standards for rental housing, and natural gas phase outs, we must provide building owners and developers with viable financial tools to help them pay for efficiency and clean energy upgrades.

The biggest barrier to efficiency and clean energy projects is the upfront cost.

Most energy efficiency and renewable energy projects offer a reasonable and solid return on investment. However, many property owners lack available upfront capital and will rely on financing to fund such projects.



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The Maine Clean Energy and Sustainability Accelerator will create new, innovative financing mechanisms specifically suited to building decarbonization, efficiency and clean energy projects. This will go a long way toward unlocking the potential to improve our building stock in a way that is aligned with South Portland's and Maine's push for dramatic emission reductions.

The Clean Energy and Sustainability Accelerator will increase and fill in gaps existing financing mechanisms don't address.

In terms of financing for energy efficiency and clean energy projects, we have promoted the incentive and rebate programs offered by Efficiency Maine. These programs certainly play an important role in our efforts to promote energy efficiency, but large-scale building retrofits will require property owners to have access to new and innovative financing mechanisms.

The Maine Clean Energy and Sustainability Accelerator will enable Maine to leverage private investments and supply a range of financial products including credit enhancements, C-PACE financing, direct lending, and underwriting support. This will expand, enhance and supplement existing financing programs currently offered by Efficiency Maine; the Finance Authority of Maine; Coastal Enterprises, Inc.; and the Maine Technology Institute.

The intent of this legislation is to increase the availability of financing and decrease the interest rates, making financing widely available for efficiency, clean energy and other climate solutions. Therefore we urge you to support LD 1659.