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Joint Standing Committee on Energy, Utilities and Technology

RE: LD 122 - An Act to Authorize Efficiency Maine Trust to Establish a Program to Support the Uptake of Medium-duty and Heavy-duty Zero-emission Vehicles by Maine Businesses and to Establish a Medium-duty and Heavy-duty Zero-emission Vehicle-to-grid Pilot Project

Senator Lawrence, Representative Zeigler, and members of the Joint Standing Committee on Energy, Utilities and Technology, my name is Kaitlyn Nuzzo and I am the Government Relations Director for The Nature Conservancy in Maine. **I appreciate this opportunity to testify in support of LD 122 - An Act to Authorize Efficiency Maine Trust to Establish a Program to Support the Uptake of Medium-duty and Heavy-duty Zero-emission Vehicles by Maine Businesses and to Establish a Medium-duty and Heavy-duty Zero-emission Vehicle-to-grid Pilot Project.**

The Nature Conservancy (TNC) is a nonprofit conservation organization dedicated to conserving the lands and waters on which all life depends. Guided by science, we create innovative, on-the-ground solutions to our world's toughest challenges so that nature and people can thrive together. We use a collaborative approach that engages local communities, governments, the private sector, and other partners.

The bill before you represents an innovative, on the ground solution to addressing carbon pollution from the transportation sector. TNC staff served on the Climate Council and my former colleague Rob Wood co-chaired the Transportation Working Group during his time at TNC. The Transportation Working Group recommended transportation electrification as a key strategy to meeting Maine's emission reduction targets. Specifically, modeling showed that helping Mainers transition to electric vehicles (EVs) would be a key driver in achieving those targets.

TNC has conducted polling, focus groups, and literature reviews over the past several years to investigate strategies to reduce barriers to EV uptake. Our research, and that of others, notes that one of the primary barriers to EV uptake is upfront cost. This is especially true of medium-duty and heavy-duty zero emission vehicles. These vehicles are major investments for the many businesses and institutions that need them to operate. The incremental cost of purchasing a Zero-emission medium or heavy-duty vehicle vs a traditional one tends to be high, which makes it hard to justify for many businesses despite the clear benefits and long-term cost savings.

Efficiency Maine has already demonstrated high demand for their general Electric Vehicle Rebate programs. And while they already have the authority to provide incentives a wide range of vehicles, further legislative direction would be helpful to the process of implementing and administering a pilot program specific to medium and heavy-duty vehicles.

MHDVs contribute more than a quarter of Maine's transportation-related CO2 emissions so creating and promoting a pilot opportunity will help spur market transformation in this sector. We also know that \$1 billion of federal funding is available for a subset of HDVs (class 6 & 7) through the [EPA Clean Heavy-Duty Vehicle Program](#) under the Inflation Reduction Act. This federal funding is targeted to state or municipal governments, schools, or tribal entities but demonstrates that there is a broad focus on helping transition these MHDVs to ZEVs.

TNC has long supported Efficiency Maine and their many successful programs. We are excited that they are interested in pursuing this opportunity and we want to give them the tools they need to develop a pilot program. LD 122 will direct them to create this program while giving them the ability to develop it in a way that makes sense with their existing incentives and based on their experience in implementing EV rebates.

We urge this committee to support LD 122. Thank you for the opportunity to comment.