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Maine State Legislature Committee on Energy, Utilities and Technology February 22, 2024

Testimony of Conservation Law Foundation in Opposition to L.D. 2206, An Act Regarding Incentives for Heat Pumps and Other Weatherization Products and Services

Chairman Lawrence, Chairman Zeigler, and members of the Committee on Energy, Utilities and Technology, my name is Emily Green and I am a Senior Attorney with the Conservation Law Foundation (CLF). CLF appreciates the opportunity to submit this testimony in opposition to L.D. 2206.

CLF is a member-supported nonprofit advocacy organization working to conserve natural resources, protect public health, and build healthy communities in Maine and throughout New England. In Maine for almost four decades, CLF works to ensure that laws and policies are developed, implemented and enforced that protect and restore our natural resources; are good for Maine's economy and environment; and equitably address the climate crisis.

L.D. 2206 would amend title 35-A, section 10119 to prohibit the Efficiency Maine Trust from requiring that a home disable or disconnect its existing primary heating system as a condition of receiving a rebate from the Heating Fuels Efficiency and Weatherization Fund. CLF urges the committee to vote ought not to pass on L.D. 2206.

Aggressive heat pump deployment is critical to achieving Maine's climate mandates, 38 M.R.S. § 576-A, according to the Climate Action Plan.¹ The Plan explains, "heat pumps and heat-pump water heaters . . . are among the most cost-effective ways to reduce greenhouse gas emissions,"² and touts the benefits of building electrification to "make Maine's homes and businesses safer, healthier, more comfortable, and more affordable."³ The Plan recommends, to "meet Maine's climate and equity goals, weatherization and heat-pump incentive programs should continue to expand to reach more Maine people. . ."⁴ More specifically, the Climate Action Plan calls for installation of "at least 100,000 new heat pumps in Maine by 2025, ensuring that by 2030, 130,000 homes are using between 1-2 heat pumps and an additional 115,000 homes are using a whole-home heat-pump system. Install at least 15,000 new heat pumps in income-eligible households by 2025."⁵ After Maine surpassed its 100,000 heat pump goal two years ahead of time, Governor Janet Mills announced a new, bolder target: installing 175,000 more heat pumps

¹ See Maine Climate Council, Maine Won't Wait, a Four-year Plan for Climate Action (Dec. 2020) ("Climate Action Plan"), at 47-49, 51, 107.

² Climate Action Plan at 47.

³ *Id*.

⁴ *Id*.

⁵ *Id.* at 48.

by 2027.⁶ Maine's enhanced commitment to heat pumps came as the U.S. Climate Alliance together announced a number of building decarbonization initiatives and commitments, including a collective pledge to "quadrupling heat pump installations by the end of the decade" with 20 million heat pump installations, with 40% of benefits going toward disadvantaged communities.⁷ And just this month, Maine joined a Memorandum of Understanding with eight other states setting a goal for heat pumps to meet at least 65% of residential-scale heating, air conditioning and water heating shipments by 2030 and 90% by 2040.⁸

In short, heat pump deployment is critical to the state's achievement of its statutory climate mandates, and the state is making good progress toward its goals. We recognize that there are concerns about the Trust's shifted focus toward whole-home heat pumps. It is critical that access to heat pumps is just and that the transition to decarbonized building heating is equitable and accessible to all. There are several valid reasons for the Trust's attention to whole-home solutions, including the state's own goals for such set forth in the Climate Action Plan.⁹ Moreover, the Trust does not condition receipt of its incentives on the "disconnection or disabling of a consumer's existing primary heating equipment powered by heating fuel." As such, we are concerned that L.D. 2206 is a rather blunt instrument that simultaneously does not advance equitable deployment of heat pumps or otherwise solve a problem, while posing challenges for successful Trust programming.

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Thank you for the opportunity to testify in opposition to L.D. 2206. We urge the Committee to vote ought not to pass.

⁶ State of Maine Office of Governor Janet T. Mills, <u>After Maine Surpasses 100,000 Heat Pump Goal Two Years</u> <u>Ahead of Schedule, Governor Mills Sets New, Ambitious Target</u>, (July 21, 2023).

⁷ United States Climate Alliance, <u>U.S. Climate Alliance Announces New Commitments to Decarbonize Buildings</u> <u>Across America, Quadruple Heat Pump Installations by 2030, (Sept. 2023).</u>

⁸ Northeast States for Coordinated Air Use Management, <u>*Nine States Pledge Joint Action to Accelerate Transition to Clean Buildings*</u>, (Feb. 7, 2024).

⁹ Climate Action Plan at 107 (listing "key actions" including 35,000 households with whole-home heat-pump systems by 2025, 116,000 by 2030, and 487,000 by 2050).

Emily Green Conservation Law Foundation LD 2206

Please find attached the testimony of Emily K. Green, for Conservation Law Foundation, in opposition to L.D. 2206.