

Governor LePage's Bill to Undermine Energy Efficiency in Maine (LD 1864)

The energy bill introduced by Governor LePage is bad news for anyone in Maine who pays an electric bill. It seeks to undermine Maine's cheapest energy source – efficiency. It creates unnecessary bureaucracy, opens the door for efficiency funds to be raided in the budget process, harms Efficiency Maine's ability to serve customers, and politicizes efficiency programs and funding. It includes a sweetheart deal to subsidize utility companies at ratepayer expense, and includes a power grab by an administration that does not support energy efficiency, raising concerns about the real intentions and impacts of this risky bill.

Efficiency Maine just completed its most successful year ever, saving more money and more energy, and doing so at the lowest cost per kilowatt-hour saved ever. While purchased electricity cost 7-8 cents/kwh, electricity saved cost half as much, only 3-4 cents/kwh! That is like buying power on sale at 50% off. Energy efficiency is the lowest-cost energy source in Maine, so continuing investments in efficiency is the absolute best way to lower energy costs for Maine businesses and households.

Last year alone, Efficiency Maine helped consumers save \$450 million over lifetime of their efficiency investments. These savings stay in the Maine economy instead of being exported. Thousands of businesses and households have reduced energy costs while supporting hundreds of Maine-based small businesses that provide efficiency services.

In light of the Governor's stated antagonism towards efficiency, it would be dangerous to pass legislation that would give the Administration direct control over efficiency funding and programs, and erect bureaucratic barriers to investing in energy efficiency.

Oversight by the Public Utilities Commission and Efficiency Maine Trust Board has made Efficiency Maine nimble, responsive, and performance-oriented, resulting in its success, saving Maine people and businesses tens of millions of dollars every year and putting that money back in our state's economy.

The governor's bill would:

- **Undermine Efficiency Maine's success by stripping it of its independence.** Independence, with oversight from PUC, was a cornerstone of bipartisan legislation in 2009. It helps them focus on consumers, cost-effectiveness and energy savings, instead of the politics of the moment or the current occupant of Blaine House.
- **Put utility profits ahead of the interests of Maine businesses and homeowners**, by forcing the Trust to pay utilities' guaranteed profits (e.g. 12%) for loan funds, instead of spending that money on more cost-effective programs for consumers. It is anti-competitive for the same reason.
- **Amount to a power grab for an administration that belittles energy efficiency**, allowing them to exert complete control over the budget and leadership of the board, which paves the way for raids of Maine's efficiency funds.

This ill-conceived bill, which includes sweeping policy changes, was introduced at the last minute, without time for thoughtful review, evaluation and public input.

Oppose LD 1864, so Efficiency Maine Trust can continue to save money for Maine people and businesses.