

An Act To Establish Energy Policy in Maine

Support LD 1313:

An Act To Establish Energy Policy in Maine

Sponsored by: Rep. Heather Sanborn

Oppose LD 1515: An Act To Reduce Electric Rates for Maine Businesses by Amending the Laws Governing Spending from the Regional Greenhouse Gas Initiative Trust Fund

Sponsored by: Rep. Nathan Wadsworth

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3 Wade Street Augusta, ME 04330 (207) 622-3101 nrcm.org These two bills would take Maine in opposite directions on energy efficiency for Maine homes and businesses.

The Regional Greenhouse Gas Initiative (RGGI) has successfully reduced pollution, strengthened our economy, and reduced energy costs—largely as a result of energy efficiency.

RGGI Lowers Energy Costs through Energy efficiency Improvements

- RGGI's success in lowering energy costs in Maine comes from using the funds to support energy efficiency in homes and businesses, where every \$1 spent on efficiency saves \$5 on energy bills.
- Since 2008, 85% of RGGI funds have been invested in energyefficiency improvements. Recent changes in the funding formula, combined with lower-than-expected revenue from RGGI, have unbalanced the use of funds, creating inequity and threatening the stability of energy-efficiency initiatives.
- Efficiency Maine uses RGGI funds to help Maine businesses make investments that lower energy costs and helps reduce air leakage, improve insulation, and install high-efficiency heating systems in homes.
- Investing RGGI funds in energy-efficiency improvements helps businesses be more competitive, create jobs, and stay in Maine. Independent economic analysis shows that Maine's approach to RGGI is benefiting our economy and is getting proven, cost-effective results, helping reduce business energy costs.

LD 1313 Protects Energy-efficiency Initiatives

- If the Legislature does not act this session, Efficiency Maine will be forced to dramatically cut back its energy-efficiency programs, including its flagship Home Energy Savings Program.
- The current funding formula gives away 45% of RGGI funding to a handful of large businesses that contribute only 12% of the cost of RGGI. These funds are cash payments, not strategic investment in energy-saving projects.
- LD 1313 makes a simple, fair change: calculate cash payments for the these large businesses based on their fair share of RGGI funds, as determined by the Public Utilities Commission (PUC); use the rest to help homeowners and businesses all over the state reduce energy costs through energy efficiency.
- By protecting and stabilizing energy-efficiency initiatives, LD 1313 will save Maine homes and businesses \$20-\$40 million on energy bills, compared to the status quo over the next five years.



LD 1313 restores fairness to the use of RGGI funds and protects vital energy-saving initiatives at Efficiency Maine.

LD 1515 Undermines Efforts to Lower Energy Costs

- LD 1515 would put business subsidies for electricity ahead of cost-effective energy-efficiency investments.
- Using an extremely complex new funding formula, LD 1515 would reduce energy-efficiency investments under RGGI by 10-40%, over the next five years.
- LD 1515 would cost Maine homes and businesses an extra \$25-\$155 million on their energy bills compared to the status quo.
- If this bill passes, Mainers may see only 33% of RGGI revenues available for energy-efficiency improvements within five years compared to the historic target rate of 85%.





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