



Natural Resources Council of Maine

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Testimony in Support of LD 585, An Act to Use Certain Regional Transmission Organization Payments for Beneficial Electrification to Reduce Electricity Rates

To the Energy, Utilities and Technology Committee

by Josh Caldwell, NRCM

March 6, 2025

Senator Lawrence, Representative Sachs, and distinguished members of the Committee on Energy, Utilities, and Technology, my name is Josh Caldwell, and I am the transportation policy advocate for the Natural Resources Council of Maine (NRCM). I stand here today in support of LD 585 because electric vehicles (EVs) are critical to our state climate response, save drivers money on fuel and maintenance costs, and increase grid reliability.

Every four years, NRCM conducts a survey that goes out to every electric vehicle owner in the state to hear Mainers' EV experiences firsthand. Our last survey went out in 2022 to 6,500 EV owners throughout the state and found that 98% of respondents would recommend their EV to a friend or family member.¹ Just under three years later, there are now more than 17,000 EVs on the road in Maine. Significant progress, but still far from the goal established in our most recent Climate Action Plan of 150,000 EVs on the road by 2030.²

Efficiency Maine's EV rebate program is helping get more cost-saving EVs on the road in Maine. A recent study assessing the program found that 68% of EV buyers in Maine said that the rebate significantly influenced their decision to purchase an EV.³ This is even more true for low-to-moderate income buyers, 92% of whom reported that the EV rebate program motivated them

¹ NRCM, Maine Electric Vehicle Owner Survey, June 2022, <https://www.nrcm.org/programs/climate/cleaner-transportation/2022-maine-electric-vehicle-survey/>

² Maine Climate Council, *Maine Won't Wait: A Four-Year Plan for Climate Action*, December 2024, <https://www.maine.gov/climateplan/the-plan>

³ Efficiency Maine, *Electric Vehicle Market Assessment Historical and Forecasted Adoption and Influence of Rebates*, June 24, 2024, https://www.efficiencymaine.com/docs/TPVI_Appendix_L3_EV_Market_Assessment.pdf

to purchase their EV. The study found that overall EV purchase rates in 2022 would have been approximately 10% lower had Efficiency Maine's rebate not been available.

The Governor's Energy Office's recent Pathways analysis highlighted the benefits of electric load flexibility, much of which is tied to EV adoption. The report states that "unlocking the flexibility of electric vehicle charging loads and other flexible loads could substantially decrease electricity supply, transmission and distribution costs," and that "electrifying transportation is key to cost effective GHG reductions and electricity grid investment."⁴ This correctly identifies vehicle electrification as a core strategy in lowering costs for all ratepayers while increasing grid reliability.

In addition to lowering the cost barrier to more widespread EV adoption, Maine's EV rebate program connects drivers with other mutually reinforcing Efficiency Maine programs, including EV managed charging, which lowers total system cost. The rebate program ran out of funds last year due to increased EV purchases, a trend that should be supported for its emissions, consumer fuel cost savings, and electric system benefits. The rebate program works, and this bill will contribute to its sustainability.

EVs are already much less expensive to own over the lifetime of a vehicle compared to combustion engine counterparts,⁵ and are rapidly reaching point-of-sale cost parity. With the federal government turning its back on the benefits of electric vehicles, Efficiency Maine's successful rebate program is as important as ever. We urge the Committee to vote Ought To Pass on LD 585. Thank you for your time, and I am happy to answer any questions you may have.

⁴ Governor's Energy Office, *Maine Pathways to 2040: Insights and Analysis*, January 2025, <https://www.maine.gov/energy/studies-reports-working-groups/current-studies-working-groups/energyplan2040>

⁵ Kelley Blue Book, *Study: EVs Could Reach Price Parity in 2026*, December 2024, <https://www.kbb.com/car-news/study-evs-could-reach-price-parity-in-2026/>