

Testimony in Support of LD 1270, An Act to Establish the Department of Energy Resources

To the Joint Standing Committee on Energy, Utilities, and Technology

by Jack Shapiro, Climate and Clean Energy Program Director April 8, 2025

Senator Lawrence, Representative Sachs, and honorable members of the Energy, Utilities and Technology Committee. My name is Jack Shapiro, and I am the Climate and Clean Energy Director at the Natural Resources Council of Maine (NRCM). NRCM is a nonpartisan membership organization that has been working for more than 65 years to protect, restore, and conserve Maine's environment, now and for future generations. On behalf of our nearly 20,000 members and supporters, NRCM testifies in favor of LD 1270, An Act to Establish the Department of Energy Resources.

The current Governor's Energy Office oversees Maine's energy system, integral to daily life for all of Maine's households and businesses. Our energy system, like energy systems worldwide, is in the midst of a once-a-century transformation as we move from a system based on centralized and often polluting sources of energy to one that is dynamic, innovative, flexible, participatory, and clean. It's a change on par with the shift in computing from mainframe terminals to cloud computing and mobile technology. Managing these changes on behalf of the people of Maine is a hefty responsibility, and establishing a cabinet-level energy department is commensurate with those duties and aligns our structure with other states. This change would also help with staff retention and continuity of expertise, as well as laying the groundwork for a more consistent and steady approach to these issues over time and across administrations.

There are a few areas in which we believe the bill as printed could be improved, and we have included our suggested edits and revisions in this testimony as an appendix. These suggestions were shared in advance of the hearing with the sponsor and the Governor's Energy Office. We would be happy to return for the work session to discuss these suggestions or otherwise answer any additional questions about the points summarized herein:

• Include achieving Maine's climate and greenhouse gas emissions reduction targets in the responsibilities of the Department, as would be consistent with their inclusion in the responsibilities of the Public Utilities Commission (PUC) and legislation this session related to the Office of Public Advocate (OPA).

- In the requirements for the state energy plan, recognize the importance of considering demand flexibility, emerging issues, and clean energy and climate policies in the analysis and recommendations.
- Align the oil dependency reduction targets, last updated 14 years ago in 2011, with progress made, as well as the recent pathways analysis and the Maine Energy Plan.
- Make adjustments to the "Distributed Solar and Energy Storage Program" to account for uncertainty in federal funding availability.
- Include small changes to the procurement section to clarify accounting for low-income and environmental justice populations and a technical tweak to account for negative locational marginal price effects. We are also aware of additional suggested changes to the procurement section offered by others, including the Maine Renewable Energy Association (MREA), to increase project viability and help ensure better procurement outcomes, a goal we support as well.

In conclusion, we strongly support the creation of a standing Department of Energy Resources, and we also believe this legislative effort and the outcomes of the creation of this department would be stronger with the inclusion of the attached amendments.

Thank you for the opportunity to provide testimony. I would be happy to answer any questions you have, and as mentioned, we would be happy to participate in the work session.