

CLEAN ENERGY JOBS & SAVINGS: COMMITTING MAINE TO A CLEAN AND EFFICIENT FUTURE NECEC'S 2018 MAINE CLEAN ENERGY POLICY PRIORITIES



NECEC is dedicated to growing the clean energy economy in Maine and across the northeast. A vibrant clean energy industry will ensure that Maine citizens, businesses, and industries can take advantage of the economic, energy, and environmental benefits of clean energy. We are committed to working with the Legislature and state officials to achieve an affordable and secure clean energy future for Maine. NECEC supports the following policy priorities. For more information about NECEC's 2018 Maine Clean Energy Policy Priorities, contact:

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Secure Sustainable Solar Policy in Maine

Solar energy, both distributed and large-scale, has the potential to reduce Maine's dependence on fossil fuels, lower electricity costs for all customers, create and sustain local jobs, and address concerns with climate change. Maine customers expend \$5 billion/year to import fossil fuels. Every solar array built helps keep more of these energy dollars in the local economy and creates homegrown jobs. The Legislature should recommit to enacting a sustainable solar policy framework and address the deficiencies in the 2017 net energy billing (NEB) decision by the Public Utilities Commission (PUC).

- Protect the value of investments in existing projects through "grandfathering" (i.e., maintaining existing policies for the life of the project)
- Maintain the current level of net energy billing credits to fairly compensate customers
- Ensure that any charges imposed on projects connecting to the grid are fair and reasonable
- Pursue policies that support all project sizes, including procurements aimed at attracting commercial, industrial, and grid-scale solar installations and the value they provide
- Remove existing barriers to community shared solar (CSS), including limits on the number of customers who can subscribe to a community solar farm.

NECEC urges the Legislature to support LD1686, *An Act to Amend the Laws Regarding Distributed Generation and to Eliminate Gross Metering*. NECEC is also supportive of two carryover bills from last session: LD1373, *An Act To Protect and Expand Access to Solar Power in Maine* (Rep. Berry), and LD1444, *An Act Regarding Large-scale Community Solar Procurement* (Sen. Woodsome).

These bills seek to restore and protect net energy billing for existing and future customers, implement a solar rebate program, move forward with competitive procurements of community shared projects, and remove existing obstacles inhibiting access to shared solar.

Preserve Maine's Renewable Portfolio Standard (RPS)

Last year, the legislature certified that the RPS will remain in force after 2017 and continue driving clean energy deployment for years to come. Preserving the RPS protects Maine jobs, Maine businesses, and Maine clean energy. Maine's RPS and similar standards across the country provide the foundation for promoting renewable energy adoption in a competitive, market-based framework. NECEC strongly opposes any attempts to repeal or otherwise undermine Maine's RPS. Restricting RPS eligibility to emerging technologies and local resources remains an important principle in Maine, as opening up eligibility to mature resource categories such as large hydroelectric power from Canada would risk flooding the RPS market and pushing out in-state renewable resources like biomass, solar, wind, and small hydro.

NECEC urges the legislature to support LD1699 to allow relicensed small hydroelectric facilities (<30MW) to qualify for the RPS in the future, recognizing the important role that these resources play in the delivery of reliable, clean energy for Maine. NECEC also supports efforts to help the biomass industry in Maine through the RPS.

Support Energy Efficiency in Maine

Energy efficiency remains the least-cost way for Maine residents and businesses to meet their energy needs – the cheapest kilowatt-hour is the one a customer does not consume. Energy efficiency includes insulation, Energy Star appliances, and a host of other conservation measures, as well as renewable thermal resources (e.g., ground source heat pumps) and combined heat and power, which makes use of otherwise-wasted thermal energy. It also encompasses demand response and demand management, which work to optimize energy consumption for the benefit of customers and the grid. Continued funding for Maine's energy efficiency programs is essential to reduce customers' energy bills.

- **Support RGGI Funding for Energy Efficiency Programs:** NECEC supports maintaining funding from the Regional Greenhouse Gas Initiative (RGGI) Trust Fund for Maine's energy efficiency programs. We were very pleased to see LD1515, *An Act To Reduce Electric Rates for Maine Businesses by Amending the Laws Governing Spending from the Regional Greenhouse Gas Initiative Trust Fund*, which would have reduced energy efficiency funding, reported by Committee as 'Ought Not to Pass' earlier this month. Continued use of RGGI funding for energy efficiency supports Maine's economy and Maine businesses and residents. Over their lifetime, Maine energy efficiency investments made possible by RGGI proceeds in 2015 are estimated to generate savings of over 362,000 MWh in avoided electricity use and another 1.5 million MMBtu in avoided consumption of natural gas and other fuels, lowering participants' energy bills by more than \$60.7 million. The roughly \$260m spent on energy efficiency through RGGI in 2015 is estimated to produce \$1.3b in lifetime energy bill savings.
- **Continue support for Efficiency Maine programs**, which have delivered the benefits of weatherization and encouraged Maine home and business owners to make energy efficiency upgrades through a combination of rebates, financing, and customer education initiatives. Robust energy efficiency programs create local and regional jobs, stabilize long-term energy bills, and reduce fuel and energy purchases that send billions of dollars out of the local economy.

Renew Maine's Commitment to the Regional Greenhouse Gas Initiative (RGGI)

NECEC appreciates the Maine Legislature's support for RGGI in the past and urges you to continue to back Maine's involvement in RGGI, which has reinvested money back into the Maine economy while reducing greenhouse gas emissions across the region. With Maine and the other eight RGGI states announcing in 2017 their commitment to a further 30% decline in the RGGI emissions cap by 2030, **NECEC urges Maine policymakers to authorize adoption of the updated RGGI model rule, as proposed in bill LD1657**. Doing so will solidify Maine's participation in RGGI for the long-term and will ensure that the benefits of the program continue flowing to Mainers.

Embrace Regional and State Clean Transportation Solutions

As more Maine residents and visitors choose clean transportation options, Maine policymakers should implement state and regional policies aimed at supporting the adoption of zero-emission vehicles (ZEVs). Clean transportation policies for Maine and the region can spur the economy, create new jobs, improve public health, reduce carbon emissions, and improve the aging and inefficient transportation system, which limits mobility and produces more pollution than any other sector. On the regional level, **we urge Maine to join neighboring states in exploring the establishment of a regional cap-and-invest program for transportation fuels**, modeled after RGGI and designed to drive necessary investments and emissions reductions. On the state level, **complementary action is needed to accelerate the adoption of zero-emission technologies in Maine's vehicle fleet** such as electric vehicles and fuel cell vehicles, including actions to reduce the cost of vehicle ownership, facilitate the deployment of charging infrastructure, promote smart charging to improve the efficiency of the electric grid, and educate consumers and automobile dealers about available clean transportation options. NECEC urges legislators to monitor opportunities to support these transportation goals through legislation and advocacy to state agencies involved in regional decision-making.

Additional Support

- LD1741, *Establishing the Commission To Study the Economic, Environmental and Energy Benefits of Energy Storage to the Maine Electricity Industry*
- LD257, *An Act To Enable Municipalities Working with Utilities To Establish Microgrids*