

An Act To Support Electrification of Certain Technologies for the Benefit of Maine Consumers and Utility Systems for the Environment

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Chairman Lawrence, Chairman Berry and Members of the Energy, Utilities and Technology Committee ("EUT"),

The Office of the Public Advocate ("OPA") testifies neither for nor against LD 1464 "An Act To Support Electrification of Certain Technologies for the Benefit of Maine Consumers and Utility Systems and the Environment" which amends provisions in the law regarding the conservation programs of the Efficiency Maine Trust ("EMT") by clarifying that conservation programs seek to increase the efficiency with which electricity is used and defining "beneficial electrification" as the electrification of a technology that would otherwise require energy from a fossil fuel that provides a benefit to a utility, a ratepayer or the environment by improving the efficiency of the electricity grid or reducing consumer costs or emissions, including carbon emissions; requires EMT to conduct a study regarding the barriers to beneficial electrification of the transportation and heating sectors in the State; and requires the Public Utilities Commission ("PUC" to issue a request for proposals from utilities and entities that are not utilities to conduct a pilot program to support beneficial electrification of the transportation sector of the State.

This bill proposes to add "beneficial electrification" to the definition of EMT programs that, if found to be cost effective, are funded with electric ratepayer funds. Beneficial electrification is defined as "electrification of a technology that would otherwise require energy from a fossil fuel." Beneficial electrification includes

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improvements to the efficiency of the electric grid and reducing consumer costs or emissions, including carbon emissions.

LD 1464 also requires that EMT, together with the PUC study barriers to "beneficial electrification" in the transportation and heating sectors in the State and provide a report to the EUT Committee by February 1, 2020.

The bill also provides for the PUC to request proposals from utilities and entities that are not utilities, including the EMT for pilot programs to support beneficial electrification of the transportation sector of the State.

The Efficiency Maine Trust Act currently provides for the increased use of energy efficiency products and services as well as programs that reduce environmental damage as long as those programs are cost-effective. It is unclear from this bill as currently written how any required funding for the proposals is to be obtained.

The provision that programs be "cost-effective" is a critical component in evaluating all EMT's programs. Any expenditure of ratepayer funds should remain subject to this requirement.

Thank you for your time, attention and consideration of this testimony. The Office of the Public Advocate looks forward to working with the Committee on LD 1464, and will be present at the work session to assist the Committee in its consideration of this bill.

Respectfully submitted,

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