**Maine Office of the Public Advocate Climate Impact Report**



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**December 2024**

**Goals:**

* **Address the consumer impacts of climate change policies before the Public Utilities Commission and the legislature.**
* **Ensure that statutory mandates are fulfilled that require utilities to not only provide reliable service at affordable rates, but also to reduce greenhouse gas (GHG) emissions to meet Maine’s GHG reduction goals.**

**Climate Impact Related Dockets**

**Update Released to the *Maine Won’t Wait* Climate Action Plan**

The Maine Climate Council released an update to its 2020 Maine Won’t Wait plan to address the impacts of climate change. <https://www.maine.gov/climateplan/sites/maine.gov.climateplan/files/2024>

The 2020 Plan sought to identify steps necessary to reduce carbon emissions and prepare Maine’s economy and communities for the increasing impacts of climate change. The 2024 Update assesses the results so far and identifies new targets for meeting Maine’s clean energy and GHG reduction goals.

The 2024 Update emphasizes the transition to electric and plug in vehicles (EVs) as a priority. To meet its goals, Maine needs to:

* Accelerate Maine’s transition to light-duty electric and plug-in hybrid electric vehicles
* Accelerate Maine’s adoption of zero-emission medium- and heavy-duty vehicles (MHDVs)
* Invest in public, active, and shared transportation
* Improve the resilience of Maine’s transportation system.

The 2024 Update goals include:

* 40,000 Heat pumps in low-income households by 2030
* 10,000 low-income homes weatherized by 2030
* 1,500 new or renovated energy-efficient affordable housing units per year
* 50% of light-duty EV rebate funding to low- and moderate-income (LMI)

households

* 40% of climate infrastructure and resilience investments in underserved communities
* 15,000 low- and moderate-income households with rooftop solar and/or enrolled in community solar projects by 2030
* 700 publicly funded EV charging ports by 2028
* 30,000 clean-energy jobs created by 2030
* 7,000 new registered apprentices by 2030
* 80% renewable electricity usage in Maine by 2030

The OPA looks forward to working with stakeholders to meet Maine’s updated goals.

**OPA files Comments on the Governor’s Energy Office (GEO) Draft Report for *Maine Pathways to 2040***

The OPA filed comments highlighting areas of interest. Specifically:

* equity considerations and affordability
* concerns about the lack of transmission access for new Distributed Energy Resources (DER) development
* availability of Long Duration Energy Storage (LDES) to assist in the clean energy transition
* the importance of load flexibility in reducing peak demand and the resulting costs of new infrastructure, and
* the need for limits on gas utility expansion to improve GHG emission reductions.

The OPA appreciates the Report’s recognition that the financial burden of the energy transition falls more heavily on low to moderate income customers than on wealthier consumers. The OPA’s analysis of a typical residential consumer’s energy burden uses a 6% affordability threshold for all home energy costs (electricity, fossil fuels and wood). Keeping low- and moderate-income customers within this energy burden threshold for all home energy costs is a primary equity consideration for meeting Maine’s clean energy goals.

The *Pathway to 2040* process is intended to align with the goals of the *Maine Won’t Wait* Climate Action Plan.

**Newest Efficiency Maine Trust Plan Focusses on Heat Pumps, Weatherization and Battery Initiatives**

Efficiency Maine Trust (the Trust) recently filed its Triennial Plan VI (Plan) with the Maine Public Utilities Commission (PUC or Commission). [Triennial Plan for Fiscal Years 2026-2028](https://www.efficiencymaine.com/docs/Triennial_Plan_VI_2024_11_5.pdf) . The Office of the Public Advocate (OPA) intervened at the PUC to represent consumers. (No. 2024-00310). The OPA notes favorably that the Trust proposes programs targeted for low- and moderate-income customers and multifamily residences.

The Plan includes financial support for:

* **residential whole-home heat pumps,**
* **multifamily and commercial whole-building/zone heat pumps,**
* **rooftop unit heat pumps,**
* **commercial heat pump water heaters,**
* **electric vehicles paired with ‘smart charging’**
* **a Large Battery Initiative providing incentives for certain commercial and industrial customers to use battery power during high summer use periods.**

The Trust also determined there’s an opportunity to achieve natural gas customer savings. The Trust proposed funding incentives for residential weatherization and commercial and industrial custom projects to reduce gas use.

These programs are projected to deliver the following benefits:

* **38,000 homes heated entirely with heat pumps (including 6,500 low-income homes)**
* **9,900 homes weatherized (1,500 low-income, 1,800 moderate-income, 6,600 all-income)**
* **1,700 new battery systems in homes and small businesses**
* **333 million tons of CO2 reduced, annually, by the third year**
* **$43 million invested in small businesses**
* **137 megawatts of summer peak load reductions by 2028**
* **$492 million suppression of electricity rates due to Beneficial Electrification programs**

The OPA supports methods to cost-effectively advance carbon reduction targets as set in Maine law and improve resilience to the harmful impacts of climate change. The OPA looks forward to reviewing these proposals during the PUC review of the Trust’s latest Plan.

**The OPA Supports NESCOE Proposal to Conduct Transmission RFP**

Recently, the New England States Committee on Electricity (NESCOE) wrote a [letter](https://nescoe.com/resource-center/lttp-rfp-letter/) to ISO New England on potential transmission needs. NESCOE points out that **efforts to develop resources in Maine to reduce GHG emissions will be frustrated by the lack of transmission capacity**. There needs to be additional transfer capability to allow further growth of green energy resources. All six New England states recommend relieving Maine’s transmission congestion as the number one priority for transmission investment.

Maine is uniquely positioned to host large scale renewable energy projects, such as the proposed [Northern Maine wind project](https://www.mainepublic.org/business-and-economy/2024-05-14/maine-utility-regulators-are-restarting-the-process-of-building-renewable-energy-in-northern-maine) and the [New England Aqua Ventus offshore wind](https://newenglandaquaventus.com/) project. Maine can support transmission capable of moving renewable energy generated in Maine and eastern Canada to the New England grid, such as the [New England Clean Energy Connect](https://www.necleanenergyconnect.org/project-updates) (NECEC) project. However, without upgrades to portions of the Maine transmission system, it will be impossible for Maine to reach its full potential as a renewable energy producer. Currently, as new projects come on, other renewable generation must be curtailed, i.e., shut off, to allow the new generation to operate. Upgrading three critical bottlenecks in Maine, shown in [this diagram](https://www.iso-ne.com/about/key-stats/maps-and-diagrams#transmission-system), are identified by NESCOE as opportunities to support further DER development: the Maine-New Hampshire interface; the Surowiec-south interface, in Pownal; and the Orrington-south interface, near Bangor.

**Offshore Wind Advisor Board Meeting**

The Maine Offshore Wind Research Consortium Advisory Board (Board) met on November 22, 2024. As part of Maine’s commitment to responsible offshore wind, Governor Mills [established the Maine Offshore Wind Research Consortium](https://legislature.maine.gov/legis/bills/getPDF.asp?paper=SP0512&item=5&snum=130) in 2021 with bipartisan support. The Board’s purpose is to better understand the local and regional impacts of floating offshore wind power projects in the Gulf of Maine. At the most recent Board meeting, the Board covered:

* updates on current research including mapping the ocean floor in the lease area for the proposed floating wind research array and the inventory of sea animals that may be affected by the project.
* feedback from fishing industry representatives and others on the draft recommendations for Research Array cable designs to best coexist with fishing and other marine uses of the Gulf of Maine.

The Board will continue to assess and prioritize its research goals in 2025.

**Versant Power Provides an Update on its Climate Change Vulnerability Study No. 2022-00322**

In 2022 the Maine legislature passed *An Act Regarding Utility Accountability and Grid Planning for Maine's Clean Energy Future,* requiring utilities to submit climate change protection plans to the PUC for review every 3 years. <https://legislature.maine.gov/legis/bills/getPDF.asp?paper=SP0697&item=19&snum=130>

Versant is giving public presentations about its analyses as it develops its plans. Versant is working with an expert consulting firm to conduct a Climate Vulnerability Assessment. The OPA attended the briefing to ask questions and provide input on Versant’s proposals. At this stage, Versant is looking at the effect of extreme climate hazards on individual assets. The climate hazards reviewed were:

• increasing extreme heat incidents

• changing winter weather patterns due to warmer temperatures

• increased wildfire risk

• wind gust speeds

• heavy precipitation and inland flooding

• coastal flooding

• the potential for extreme events occurring simultaneously

Versant is identifying the hazards that affect specific assets to prioritize development of resilience measures. The next stakeholder session is scheduled for December and will focus on reviewing the draft report. All materials will be available on the company website. <https://www.versantpower.com/>

**New England Aqua Ventus PPA Negotiations No. 2022-00100**

The Commission set a deadline for Pine Tree Offshore Wind, LLC (PTOW) to file the term sheet it proposes for a Purchase Power Agreement (PPA) for the offshore wind Research Array. The information in PTOW’s filing, including the proposed price for the energy and any other products generated by the Research Array, is expected to be made public to the greatest extent possible. After reviewing PTOW’s filing and the comments of the other negotiating parties, the Commission will determine if any additional process is required.

**Climate Impact Related Legislation**

The legislature is currently in recess.