

## HOUSE OF REPRESENTATIVES 2 STATE HOUSE STATION AUGUSTA, MAINE 04333-0002

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Senator Lawrence, Representative Berry, Distinguished Members of the Energy Committee:

I am Brian Hubbell, representing House District 135, Bar Harbor, Mount Desert, and Lamoine, and I am here to present LD 658: Resolve, To Direct a Plan for Energy Independence for Maine.

As this committee well understands, Maine's energy systems place our state today at a critical decision point at which two factors combine to compel action.

On one hand, inaction and inertia lead to the grave <u>economic disruptions</u> described in last fall's Fourth National Climate Assessment.<sup>1</sup> On the other, an expansion of locally-developed renewable energy offers real economic opportunity.

Technological innovations are propelling <u>neighboring states</u> and <u>provinces</u> to capitalize on the promise and profitable benefits of clean energy generation. Yet despite <u>abundant potential</u> from <u>wind, biomass, solar, and hydropower,</u> Maine currently lacks a comprehensive vision for sustainable energy development.

Currently, Maine spends over \$5 billion annually on energy. Of that, \$3.4 billion is spent on imported carbon fuels.<sup>2</sup>

At present, 36% of Maine's <u>total energy usage</u> is already met by renewable sources: largely hydropower, wind, and biomass. About three-quarters of <u>Maine's electrical use</u> already comes from renewable sources.<sup>3</sup>

Annually, in all sectors -- electricity generation, heating, manufacturing, and transportation -- Maine consumes about 120 terawatt-hours of energy. Approximately one-third of that -- 40 terawatt-hours -- is produced through renewable energy sources: biomass, hydro, wind, and solar. The remaining 80 terawatt-hours are produced from imported carbon fuels.

<sup>&</sup>lt;sup>1</sup> U.S. Global Change Research Program, Fourth National Climate Assessment: <u>Volume II: Impacts, Risks, and Adaptation in the United States</u>, 2018

<sup>&</sup>lt;sup>2</sup> US Energy Information Administration, Maine Energy Consumption Estimates, 2016,

<sup>&</sup>lt;sup>3</sup> US Energy Information Administration, Maine Profile Analysis, June 2018

Maine in fact has the <u>additional potential resources</u> to produce sufficient energy to offset -- and even eventually displace -- the full energy value of the state's imported carbon fuels.<sup>4</sup>

All we need for Maine to become a net exporter, rather than importer, of energy is prudent planning and policies that support already emerging markets for renewable energy.

To move forward, we need an economic plan which allows rapid, market-driven development of renewable resources over the next ten years. This bill directs the development of that plan.

As a first step, this plan can make an inventory of resources and evaluate the relative returns on investment in each available sector of renewable energy -- including returns from conservation and efficiency -- and then scale and sum those components by cost-effectiveness into one feasible comprehensive strategy which, in total, is capable of offsetting the current \$3.4 billion value of Maine's energy imports.

Second, in service of a longer term goal of displacing rather than just offsetting imported energy. this plan can consider what sort of a network could support such a distribution of generation and effectively balance generation against demand.

As a third step, the plan can evaluate what policies would be required over the next ten years to draw the necessary capital investments at those prospective rates of return and propose a set of recommendations to the legislature through this committee for consideration.

On the environmental side, if we are indeed serious about curtailing carbon emissions, we need to know what combination of solar, wind, hydro, biomass, conservation and efficiency can match the needs of Maine's citizens, businesses and industries.

On the economic side, our state needs the income, jobs, and beneficial balance of trade that would result from the domestic production rather than importation of \$3.4 billion of energy.

I am heartened our governor is committing to reinvigorated economic planning for Maine and to reduce carbon emissions in acknowledgment of the environmental urgency of our time. This bill will help guide a first step in that process.

Once that step is completed, I look forward to working with you further to enact well-considered policies that express our common interest in energy independence, community resilience and economic prosperity for Maine. It's time to set aside old policy preconceptions, roll up our sleeves, and engage in open-minded planning for change.

Thank you. I'm happy to take any questions.

<sup>&</sup>lt;sup>4</sup> Dvorak et al, <u>US East Coast offshore wind energy resources and their relationship to peak-time electricity demand</u>, Wind Energy