

STATE OF MAINE OFFICE OF THE GOVERNOR 1STATE HOUSE STATION AUGUSTA, MAINE 04333-0001

DAN BURGESS
DIRECTOR OF GOVERNOR'S
ENERGY OFFICE

TESTIMONY BEFORE THE ENERGY, UTILITIES AND TECHNOLOGY COMMITTEE

An Act To Require Consideration of Climate and Equity Impacts by the Public Utilities Commission L.D. 1682

GOVERNOR'S ENERGY OFFICE May 12, 2021

Senator Lawrence, Representative Berry, and Members of the Joint Standing Committee on Energy, Utilities and Technology (EUT): My name is Melissa Winne and I am the Energy Policy Analyst for the Governor's Energy Office (GEO).

The GEO and Governor's Office of Policy Innovation and the Future (GOPIF) testifies in general support of L.D. 1682.

The proposed legislation would require the Public Utilities Commission (PUC) to consider the reduction of greenhouse gas emissions and the mitigation of disproportionate energy burdens on environmental justice (EJ) populations, frontline communities and utility customers who are underserved by utility or electricity policies, programs and systems due to geography, race, income or other socioeconomic factors.

It also requires the PUC through execution of its duties, powers and regulatory functions to aid in the facilitation of the achievement of the greenhouse gas emissions reduction goals and to prioritize proceedings and activities, when possible, that advance decarbonization in the utility sector and mitigate disproportionate energy burdens and other inequities of affordability and EJ experienced by utility customers while ensuring system reliability and resource adequacy.

The State's Four Year Climate Action Plan, *Maine Won't Wait*, focuses on reducing emissions, preparing our communities, economy, and people to better withstand the rapidly accelerating impacts from climate change and highlights the need for a comprehensive and equitable approach to climate action as new programs and allocation of resources are considered. The Maine Climate Council is required by statute to: "Ensure equity for all sectors and regions of the State and that the broadest group of residents benefit from the achievement of the greenhouse gas emissions reduction levels, with consideration of economic, quality-of-life and public health benefits;" and to "encourage diversity, inclusion and equity in its adaptation and resilience strategies."

Strategy C of the Plan calls to "Reduce Emissions in Maine's Energy and Industrial Sectors Through Clean Energy Innovation." It specifies:

Reducing emissions and increasing energy generation in Maine carries important equity considerations. The Equity Assessment suggested that associated processes, procurements, and policies for clean-energy development and deployment should seek price stability and affordability for all ratepayers. Incentives that support targeted programs for low- to moderate-income access to cleaner, money-saving electrification technologies in heating and transportation will be key.

In addition, a focus on electric rate structure, charging availability, and diverse communications with trusted partners about programs and savings will be essential to ensure equity. Cleanenergy technology offers benefits like reduced pollution and job opportunities for frontline communities. Therefore, to achieve equity outcomes, clean-energy benefits should be targeted to communities who would most benefit.

Maine Won't Wait additionally recommended the creation of a new Equity Subcommittee of the Maine Climate Council that has now been established to support ongoing planning and implementation of the state's climate strategies to ensure shared benefits across diverse populations in Maine. The Equity Subcommittee is co-chaired by Ambassador Maulian Dana of the Penobscot Nation and Portland City Councilor Spencer Thibodeau, and includes representatives of historically underrepresented populations in Maine, including, but not limited to, lower-income and rural populations, older adults, tribal communities, persons of color, and New Mainers. There are also several legislative representatives on the Subcommittee.

The Subcommittee is tasked with setting equity outcomes for climate actions, monitoring progress and making recommendations to the Council to ensure programs and benefits reach diverse and isolated populations and communities, and expects to deliver recommendations by the end of this year to build stronger equity outcomes into each of the plans strategies and actions. The Subcommittee's work builds on equity analysis of the Maine Climate Council's climate strategies that took place during the summer of 2020 with the support of the University of Maine's Mitchell Center and a group of equity advisors.

The GEO and GOPIF supports the intention of LD 1682 An Act To Require Consideration of Climate and Equity Impacts by the Public Utilities Commission, to include the state's emission reduction requirements as considerations of the Maine PUC in their decision making.

Additionally, we support consideration of disproportionate energy burdens and impacts of energy projects for communities and utility customers who are underserved due to geography, race, income or other socioeconomic factors.

However, defining EJ and frontline communities in Maine statute is an important step that should be done deliberately and in collaboration with impacted communities, and in the Maine specific context.

Many states and the federal government have moved towards the incorporation of environmental factors into their EJ definitions; while demographic factors may indicate a *potential* EJ community, it's the combination of demographic factors and environmental hazards and lack of access that demonstrate EJ. The Environmental Protection Agency (EPA) defines that EJ is the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income, with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies.

EPA has also developed <u>EJScreen</u>, an EJ mapping and screening tool, in order to help the agency better meet its responsibilities related to the protection of public health and the environment. EJScreen is based on nationally consistent data and an approach that combines environmental and demographic indicators in maps and reports. Similarly, California has <u>EnviroScreen</u>, widely considered the best current version of an EJ community identifier – developed in close and ongoing partnership with EJ communities in California.

While we are generally supportive of this proposed approach, we have concerns about the definitions of EJ, EJ Populations, and Frontline Communities proposed in LD 1682, and believe they could be further refined and benefit from community and stakeholder engagement here in Maine.

We recommend that there be a directive for further engagement of stakeholders, possibly by the PUC and, including the Equity Subcommittee of the Maine Climate Council, to develop additional considerations and definitions. Instead of requiring the Commission to adopt rules to implement this section, we'd recommend that the PUC report back to this committee with proposed definitions, including the benefits and the proposed implications of these definitions in a Maine context.

Thank you for your consideration and I welcome any questions.

Melissa Winne, Energy Policy Analyst

Milim Wine

Governor's Energy Office