Keynote Address: Efficiency Maine Annual Energy Symposium
U.S. Senator Susan Collins

Augusta, ME
January 8, 2016

Thank you, David. My thanks to Efficiency Maine, and congratulations to all being recognized today for your commitment to sustainable, affordable, and environmentally responsible energy solutions.

In 1881, the world came to Paris for the first International Exposition of Electricity. In a city where the streets bore the unmistakable evidence of horse-drawn carriages, fairgoers were dazzled by silent, swift, and odor-free tramways on the Champs-Elysees and boats on the Seine. They marveled at heating systems that produced warmth without choking fumes and at the dynamo – a miraculous invention that could turn virtually any motion into this new source of power. More than 2,500 of Edison’s bulbs made Paris a true city of lights, illuminating a future that promised clean and abundant energy.

Yet 134 years later, this promise remains largely unfulfilled. According to the International Energy Agency, 1.3 billion of the world’s people live in “energy poverty,” denied a basic tool for education, health care, and economic growth. And many of us will face the consequences that may come with a warming planet.

Last month, the world again came to Paris for the international climate summit, where a global framework to reduce greenhouse gas emissions, with climate targets and transparent reporting, was reached. Climate change is a significant global challenge that requires international cooperation, including from large polluters like China and India, and a commitment to supporting the transition to a clean energy economy. Emissions do not respect political borders so it is significant that the Paris agreement was reached by all 195 nations.

A commitment by 20 nations was also made to double investment in clean energy, and a parallel private initiative will infuse private capital to fund high-risk clean energy technologies. The deal will help accelerate investments in cleaner technologies to curb greenhouse gas emissions, encourage the adoption of energy efficiency measures, and advance mitigation strategies to address the changes we are already seeing.

As a Senator, I have had the opportunity to meet with some of the world’s foremost climate scientists in Norway, Alaska, and Antarctica, and I have seen first-hand the dramatic loss of sea-ice cover and retreating glaciers. American leadership alone won’t be sufficient, but it is essential in order to help prevent the worst extreme weather events, shifts in agricultural production and disease patterns, sea level rise, and more air pollution.

Strong clean air protections remain very important for our health and environment. I have voted to protect the EPA’s ability to take action to reduce greenhouse gas emissions from our nation’s power plants. The Clean Power Plan, finalized this August, sets the first national limits on
carbon pollution from existing fossil fuel fired power plants, the nation’s single largest stationary source of greenhouse gas emissions.

The emissions targets under the Clean Power Plan for our State recognize that Maine already ranks first in the nation in the percentage reduction in greenhouse gases due to the State’s participation in the Regional Greenhouse Gas Initiative. Maine has been a leader in reducing carbon emissions, increasing energy efficiency, spurring the adoption of clean energy technologies, and improving air quality and public health.

Encouraging the adoption of energy efficiency measures remains one of the most effective mechanisms for reducing energy consumption, lessening pollution, and ultimately saving money. Whether measured in kilowatts or BTUs, the greenest energy is that which is not consumed. As an honorary board member of the Alliance to Save Energy, I understand that energy efficiency isn’t just good environmental policy – it’s good economics.

Maine, through the strategic work of Efficiency Maine, has invested more than $31 million in RGGI- (Reggie) generated funds in energy efficiency improvements in homes, businesses, and industrial facilities across our state. RGGI funds have helped households and small businesses cut electric and heating bills through rebates on purchases of appliances and high-efficiency lighting and funding for insulation and high-efficiency heating equipment such as heat pumps. These efforts have helped homeowners reduce heating bills by an average of 33 percent or $1,100 per year and have saved small businesses $40 million. Energy efficiency provides tangible monetary savings and reduces pollution.

On Wall Street, bargain hunters know that a bear market is the best time to buy stocks. In the same way, current low fuel prices make this the ideal time to invest in a sustainable energy future. We know from the several price spikes in recent years that homeowners and businesses can’t afford to install better insulation, new windows, or upgraded heating systems when they’re struggling just to keep the oil tank filled and the lights on.

Efficiency Maine’s programs don’t just leave a little more in the bank account every month. From traditional industries such as blueberries and lumber to telecommunications and biotechnology, Maine businesses are better able to compete in the national and even global economies when they become more energy efficient.

On the residential side, Maine people are able to enjoy their homes in greater comfort and safety. Energy efficiency upgrades can help turn Maine’s significant stock of older buildings from a liability to an asset. I know this from personal experience. My husband and I purchased a house built in 1907 in Bangor that desperately needed insulation. With assistance from Efficiency Maine, we have now insulated the attic and installed two heat pumps. And the inspections offered by Efficiency Maine are a real benefit, too.

And think of all the jobs created by upgrading industrial, commercial, and residential buildings. Energy efficiency is an increasingly important industry that provides our young people with the career opportunities that enable them to stay in Maine.
It is essential that federal energy policies support these efforts. Effective energy policies that promote efficiency can save taxpayers money, create jobs, increase American competitiveness, stimulate innovation, and reduce both the overall demand for energy and the need for imported oil. Energy efficiency has a direct bearing on national security, the environment, and the economy. Let me touch on a few initiatives I support to advance those policies.

The Weatherization Assistance Program has helped low-income families, seniors, and individuals with disabilities make energy efficiency improvements to their homes that reduce the burden of high energy prices permanently. I’ve been a strong supporter of the LIHEAP program, but the prospect of LIHEAP dollars going much further as a result of insulating attics and weather-stripping leaky windows has always made sense to me. To date, more than 7.3 million homes have been weatherized, providing as much as $450 in savings on a household’s annual energy bill. I am pleased to report that a $22 million increase for this proven program was included in the recently enacted funding package.

The tax-relief bill passed by Congress just before year’s end provides extensions for key renewable and energy efficiency incentives. It includes incentives for families that purchase qualifying energy efficiency products, credits for home builders for building energy efficiency homes, a tax deduction to encourage efficiency upgrades of commercial buildings, and makes permanent the tax credit for investments in research and development. Incentives such as these will encourage individuals and businesses to make important investments in renewables and in more energy efficient means of heating, cooling, cooking, and washing.

It is important that the public sector, which operates some of the largest and most energy-hungry buildings in any community, leads the way in energy efficiency. With this in mind, I’ve introduced a bill to improve the energy efficiency of schools.

My legislation would coordinate information about existing federal programs and financial assistance that is available for schools to develop and finance energy efficiency renewable energy projects. Rather than create any new federal programs, the bill would put the Department of Energy in charge of streamlining and promoting existing programs. With the savings from using these programs, more of our school’s financial resources could be dedicated where they should be – in the classroom helping students learn.

With regard to federal housing programs, a provision I authored with Senator Whitehouse to support energy and water efficiency improvements to government-supported multifamily buildings passed as part of the highway reauthorization bill. This pay-for-success pilot program will allow HUD to enter into agreements with private investors to finance energy efficiency retrofits for certain HUD-assisted properties and help cut utility costs for the federal government.

Industrial energy efficiency also has an important role to play. Earlier this year, I introduced the bipartisan Power Efficiency and Resiliency Act to ensure that combined heat and power and waste heat to power are treated in a manner that is on par with other renewables covered by the investment tax credit. Spurring the adoption of highly efficient energy systems in industrial, institution, and commercial settings could significantly reduce costs and curb pollution.
At present, U.S. utilities and factories send enough wasted energy in the form of heat up their chimneys to power all of Japan each year. Combined heat and power and waste heat to power have proven successful in using this previously squandered energy to warm or cool buildings and generate additional electricity. This bipartisan legislation would help make these technologies more accessible for New England companies, reducing energy consumption in our industrial sector, saving manufacturers money, and creating jobs.

In addition to improving energy efficiency, helping the United States lead the way in clean energy innovation is essential for a sustainable energy future. From our nation’s first tidal turbine to our off-shore wind research, Maine is making valuable contributions to advance clean energy solutions. I have been the leading proponent for advancing innovative deepwater offshore wind technology in Maine, an emerging industry with the potential to create thousands of good jobs in our state. UMaine’s VolturnUS is the first floating turbine of its kind in the world and was the first grid-connected offshore wind turbine off the coast of the United States.

The economic potential of the biomass industry is also very exciting, both for our forest-products industry and for our residents. According to the Maine Forest Service, 78 cents of every dollar spent on fuel oil leaves our state, whereas every dollar spent on biomass stays right here in Maine.

Given the important role renewable biomass is playing in our energy future, I continue to have some concerns with the EPA’s treatment of biomass under the Clean Power Plan. Many states, including Maine, are relying on sustainable, responsible, renewable, and economically significant biomass to meet their renewable energy goals. Because the final rule places the onus on states to demonstrate the eligibility of biomass for the Clean Power Plan, this approach will lead to more regulatory uncertainty. The EPA must appropriately recognize the carbon benefits of forest bioenergy in a way that helps states, mills, and the forest products industry and recognizes the carbon neutrality of wood. I will continue to seek regulatory certainty and clarity on this issue.

We have met with success in changing the Department of Housing and Urban Development’s views on wood pellet heating sources. At my urging in 2012, HUD updated its regulations to ensure that federal housing and energy programs recognize that wood pellet technology has progressed dramatically and should be considered a conventional heating source when it comes to federal loans and grants.

From the first settlements centuries ago, Maine grew and prospered with the power of wind and water, accompanied by an ethic of environmental protection. Today, our sources of renewable energy include biomass, hydro, wind, tidal, solar, and waste-to-energy, and our technological innovations are bringing them to market. Businesses and families across the state are embracing energy efficiency to lower the cost and environmental impacts of energy in our state. Our commitment to the environment grows ever stronger.

Thomas Edison said that “Opportunity is missed by most people because it comes dressed in overalls and looks like work.” The combination of current low energy prices, the growing sense of environmental stewardship, advancements in energy efficiency technology, and your hard
work gives us the opportunity to create a clean, secure, and affordable energy future for people throughout Maine and across America.