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Suzanne MacDonald, Chair Board of Directors, Efficiency Maine 168 Capitol Street Suite 1 Augusta, ME 04330

Thank you for the opportunity to submit comments on Efficiency Maine's Triennial Plan VI. It is imperative that Efficiency Maine continues allocating funds for the residential purchase and installation of wood pellet boilers and furnaces through its Regional Greenhouse Gas Initiative (RGGI) program.

The State of Maine has set forth an ambitious plan to reduce its carbon emissions 45% below 1990 levels by 2030 and 80% by 2050. Decarbonizing the residential sector is paramount to achieving this goal. Modern wood heat deserves equal support from Efficiency Maine for its role in supporting sound forest stewardship practices across the state and reducing the state's reliance on fossil fuels for heating. This begins with accessible rebates to homeowners looking to purchase and install costly, albeit highly sophisticated and efficient wood pellet boilers and furnaces. To date, more than 700 homeowners have benefitted from this rebate, cumulatively saving them between \$3-4 million dollars and enabling them to contribute to a cleaner thermal sector across the State of Maine.

Modern wood heat is a category that includes EPA-certified whole-home automated boilers and furnaces provides multiple benefits over fossil fuels and other heating sources:

<u>Gross Emissions.</u> When looking at on-site emissions, it is important to note that wood pellets are produced from the byproducts of forest management and sawmilling that are already destined to decompose and return carbon to the atmosphere. Therefore, wood pellets do *not* release any additive emissions than would have occurred naturally.

<u>Life Cycle Emissions</u>. When accounting for all greenhouse gas emissions from sourcing, processing, and transporting, high-efficiency modern wood heat systems reduce emissions by 54% compared to oil and 59% to natural gas upon installation, according to an independent, peer-reviewed analysis. In 2022, <u>renewable energy accounted for only 64% of the Maine's in-state total electricity generation</u>.

<u>Cost Savings</u>. For customers looking to shift away from fossil fuels, modern wood heat is both <u>cost effective and stable</u>. While the upfront cost of wood pellet boilers and furnaces is more expensive than air-source heat pumps, the system lasts three times as long – 30 years compared to 10 years – and the fuel itself costs less on a BTU basis than all other heat sources except for natural gas. In 2023, wood pellets were 68% cheaper than the average cost of electricity as 17% and 32% cheaper than the average cost of fuel oil and propane, respectively.

A Complement to Electrification. As the state electrifies, modern wood heat will ease pressure on the electric grid during peak load hours and cold snaps. Many older buildings are not well-suited to heating with air-source heat pumps. Heat pumps are widely recognized for running at high efficiencies. However, even with the latest advances, their efficiency drops the colder the outside air, requiring two to three times more electricity — often from carbon-generating sources like coal and gas — to heat the same space.

At the Northern Forest Center, we see firsthand the benefits wood heat provides to rural communities, economies, and forests throughout our region. We are invested in promoting forest climate solutions and – through the Center's Feel Good Heat educational campaign – informing homeowners and policymakers on how wood heat is one of those renewable solutions. Through state rebates, Efficiency Maine can continue to play a vital role in helping Maine residents to switch away from fossil fuels and save money on heating costs.

Sincerely,

Joseph Short

Vice President

Northern Forest Center

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