

William S. Cohen Papers Forum  
October 5, 2005  
University of Maine

Maine Perspective  
Transcript of remarks by Beth Nagusky  
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Transcript:

Thank you, thank you, and I have really enjoyed the speakers before me, especially the governor and his jokes, and I have a lot of jokes myself, but I don't dare follow the governor and his jokes. I do have to comment, I also went to a UM with the slogan "Go Blue." However, it wasn't in Maine. It was to our west.

First of all I want you to realize that you should be very proud of a governor who has taken a leadership role on energy from the time he was elected. He created my office. This office didn't exist three years ago. He named it the Office of Energy Independence and Security because he's committed to setting Maine on a sustainable energy path that focuses primarily on energy conservation, energy efficiency, and renewable energy sources. And I can say, very proudly, that we've accomplished a lot in the past two years, but we recognize that we have a long way to go.

I want to introduce the other members of my office. You'll see how small but mighty we actually are. Uldis Vanags, who is an engineer, did go to the University of Maine, and works a lot on biofuels and other renewable resources, and Betsy Elder, who is the state's hydro coordinator, is now working a lot on heating fuels. We all do a lot of assorted things.

I think I am beginning to believe in the motto "Be careful what you wish for." Just six months ago, when you all probably registered for this course, we lived in a very different world in energy. You all are the dedicated people that we see come to all of these conferences, have focused on energy for much of your life, recognize the benefits of energy efficiency, conservation and renewable energy and have for years. But most of the rest of us didn't. And all of a sudden, energy prices climbed, then they spiked, as a result of two hurricanes, and now energy appears on the front pages of the newspapers daily. And I probably get three to ten calls a day, depending on the day, from reporters, newspaper reporters, television and radio. And we are now in the process of, essentially we're doing triage.

Two years ago, when the governor signed the Transportation Executive Order, which really made, put Maine in the lead on transportation, and we did it because of reducing greenhouse gases. It was in order to improve the fuel economy of the state fleet, by downsizing and buying more hybrids, to reduce the miles we travel through teleconferencing, audio conferencing, carpooling and van pooling, and looking at alternative fuels. When he signed that in March of 2004 I think it was, on St. Patrick's day, I went into the cabinet room for the signing, and the room was full of reporters. And I said, "Whoah! This is the first time the press has ever paid attention to an energy issue since I took this position!" And they were all there because there had been some announcement on taxes. And I don't think, the next day, I'm not sure there was one

mention in the press, and if there was it would have been buried in the second section somewhere, about the Transportation Executive Order. But now, as the governor said, we can point to that and show that because of those steps we have saved over 550,000 gallons of motor fuel in the last two years, which is a 4% reduction. We've reduced travel by 2.3%. We have tripled the number of hybrids in the last several years. That never appeared in the paper until energy prices, until gasoline went to over \$3.00 a gallon.

So now we have the attention of the public, and we have to seize this moment, because this is the time we can make changes. This is the time that changes were made in the seventies and in the eighties. Same situation. Crisis is when people will make changes. Now we can't let, and people have said, and it's unfortunately true, this country's energy policy has alternated between panic and complacency. And that's what we saw in the eighties and nineties, essentially, was complacency. And we saw dramatic increases in our dependence on fossil fuel, primarily because of the transportation sector. Light duty trucks and SUVs were over 50% of the vehicles that were sold. Because of that, because we increased our energy electric generation and didn't focus on conservation and renewables, and now we're back in panic. And we can't, we can't let this opportunity go by, because Matt Simmons may be right, and Daniel Yergin may be wrong, and we may be looking at sixty to seventy dollar a barrel oil, you know, fifteen dollar natural gas, for years to come. And even if we're not, the case has been made pretty conclusively now, that we face the risk of global warming and it's scary. The intensity of the hurricanes in the Gulf Coast, the number of droughts, the number of floods, the number of heat waves. I don't think we can, we cannot ignore these things any longer, and I think the press also is now focusing on global warming as a real issue and is seeing how costly a global warming world can become, and it's scary.

So what are we doing? Well, as I said, we have been working on this issue for over two years, long before oil got to sixty dollars a barrel. We've been engaged most recently we've also been focusing on primarily this winter, because we're worried about this winter, as I know all of you are, too. And we're worried about our neighbors who have less resources than we do, because \$2.56 a gallon heating oil is not affordable to a lot of people in Maine. So what are we doing? Well, I'm going to focus just a few minutes on the short term, the medium term, and the longer term.

In the short term, as the governor said, we're not going to let people freeze in Maine this winter. So we're focusing on how we're going to keep all of our neighbors warm and safe, and keep the lights on. Last year in response to the oil prices we saw then, the governor launched Operation Keep Maine Warm. We winterized 1,600 homes using over a thousand volunteers. I participated and did about five homes myself with different teams. In addition to the energy savings, which we calculate that a simple sixty-dollar kit can save at least two hundred to two hundred fifty dollars in electricity and fuel oil, there's the human element. We have people, the haves of this society, going into the homes of the have-nots. And the stories we heard were beyond heartwarming and touching. And I encourage all of you to log on to [volunteermaine.org](http://volunteermaine.org) and form a team and do this yourself, because you will realize the conditions that many people that are your neighbors live in, is not, just like we realized watching the television after Hurricane Katrina, that there are a lot of people out there that don't have the resources that we have, and just putting plastic over their windows, putting in energy efficient light bulbs, is

going to make a big difference to them. Knowing that their neighbors care about them is just as important. And I encourage the businesses that are here to form teams, like we have Jackson Labs and Down East Energy, and other businesses that are forming teams, as well as University students, encourage them to form teams. We're going to be sending a letter to all legislators encouraging them to form teams. We're trying to do at least twice as many homes as we did last year, so we're trying to do three thousand homes this year.

Betsy and I are also working to reach out to other agencies, to MEMA, to the Maine Municipal Association and the welfare directors, to social service agencies, to make sure that we're all coordinated so the workers who go into people's home, healthcare workers, Meals on Wheels, things like that, are checking on people and making sure that people are warm, are safe, are not doing things like burning green wood, or we've heard of stories of bringing the barbeque grill in the house, and trying to heat the house with the barbeque grill. We're trying to, we're working on communications to get these messages out. We're also, the governor's pressing for increased federal fuel assistance for the LIHEAP Program, and we've asked Congress and the President for more dollars. We're exploring setting up a charitable fuel fund, asking the private sector to donate money so that we have additional resources at hand. We're also doing some research now on conservation messages that have the best chance of working and doing some focus groups or polling to see how to design a message and we will be putting out conservation messages. So that's what we're doing in the short term, and we appreciate any suggestions that any of you have of how we can best get through what could be one of the most challenging winters we've ever seen in Maine.

In the medium term we continue the push on conservation as Dennis very eloquently spoke of the benefits of conservation and efficiency, of how this will, is energy that we can, by not using we can save tremendous amounts of money. Yesterday we had a presentation at the Public Utilities Commission from a representative of Ontario Hydro on smart meters. Meters that can be installed in people's homes and show them instantaneously how much they're spending on energy. And just having this meter in their home, the studies show, on average people reduce their electricity consumption by 15% just because they know what they are spending and they can see that by turning off a light, turning up the air conditioner, or whatever, how much they'll save that very moment. It's instantaneous.

Today, I think, as some of you know, is Change a Light, Change the World Day. We're issuing a press release talking about how if everybody in Maine just changed three traditional light bulbs to compact florescent light bulbs this state could save one hundred and twenty million kilowatt hours of electricity and thirteen million dollars annually in electricity costs. So it's huge. And it's a simple step. And I have to say that I went around earlier here looking at your light fixtures, and I was disappointed. There are a lot of lights that could be changed here, and you can help change the world, too. I turned them off instead, because you didn't... but then I saw someone went behind me and turned it back on! So, obviously we all need to be better educated.

And then the long term. We can't, we have to keep our eye on the prize. And the prize is the long term reducing our dependence on fossil fuels, and using the moments today is when...is really important. As the governor said, we are developing legislation, omnibus legislation, to make Maine more energy independent and secure. And it's going

to focus on renewable energy, energy efficiency and conservation, and we're exploring all kinds of options now. But I think, you know, we can't ignore the fact that 60% of our greenhouse gas emissions and our fuel consumption in Maine is in the transportation sector, and we haven't really touched on the transportation sector here, and this is where we need help from the federal government in terms of fuel economy standards. We also need to look at the whole issue of sprawl and how far every one of us commutes to get to work. We have to look at transportation alternatives like the governor spoke about rail, and others. We have expanded the state vanpool program and we encourage carpools but we can do a whole lot more there. We're looking at renewable power, especially wind, tidal. We're going to see the first landfill gas facility in Maine hopefully before the end of this year there will be an announcement, and again there the waste heat can be used in greenhouses. We're hopeful that the tidal study is going to produce, you know, developers coming to Maine to actually build tidal power facilities. We're exploring renewable fuels. We're working hard with the Department of Economic and Community Development, with several developers who are interested in converting Maine's wood waste and other crops into bio diesel and ethanol, and we're promoting those. Maine passed a bio diesel, a bio fuel production tax credit several years ago, and we finally, this fall, we started, when we do the weekly oil survey, we started surveying bio diesel prices, because we want to get the word out on bio diesel. And we finally got to the point where bio diesel is now the same price, B5 bio diesel blend is the same price as the statewide average heating oil price. So, I guess that's good news. Depending on how you look at it. And we're working on fuel diversity.

I mean, I think the message that we're all getting, that the ISO gave us today and has been giving is, is that we've put way too many eggs in one basket. We've built too many natural gas plants. We're much too dependent on natural gas in our electricity sector, and when we have a disruption like we've had over the last months we're very vulnerable to that. As you know, as the governor mentioned, we are promoting solar. We now have a rebate program for the first time I believe in Maine on solar. Three quarters of that money has to be used for solar thermal, hot water and solar hot air. Only one quarter can be used for photovoltaics. So we are pushing that. We're pushing that for heating hot water and heating air.

I just want to mention also in closing that the state did do a climate change plan in response to the legislature's goal to reduce our greenhouse gas emissions statewide. And what it showed is that we can meet those goals at zero cost because, and the reason is, and that's on net, because efficiency savings save us money. Efficiency saves us money, reduces greenhouse gas emissions at a negative cost, and that offsets some of the higher prices we might pay for renewables and other greenhouse gas reduction tools. So we can do this, it is good for the economy and it's good for the environment, and we can grow Maine businesses and people can keep money in their pockets and spend them for better things than imported fossil fuels. Thank you.