

How the Reconciliation Bill Would Impact Maine Manufacturing and Energy

Data is sourced from the <u>Clean Economy Tracker</u> unless otherwise noted. Data as of June 3, 2025.

Questions? Reach out to us at info@cleaneconomytracker.org.

What does the "Big, Beautiful Bill" mean for Maine's economy?

Recent federal law created new incentives for domestic energy and manufacturing, federal support for clean energy projects, and incentives for homeowners to install efficient appliances and lower their energy bills.

These incentives have allowed Maine to become a **national leader in deploying heat pumps**, which efficiently heat and cool buildings and can lower electricity bills. In 2023, the state surpassed its original goal of installing 100,000 heat pumps two years early. Then, the state updated its goal to 275,000 heat pumps installed by 2027. The Energy Efficient Home Improvement Credit (25C) has supported this boom by providing homeowners with up to \$2,000 if they install a heat pump. The "Big, Beautiful Bill," however, would eliminate this credit and threaten Maine's burgeoning heat pump economy.

Maine is also starting to *build* heat pumps, bringing new manufacturing jobs to the state. <u>Nyle</u> <u>Systems</u> announced **\$6 million** in investment for a heat pump manufacturing facility in Bangor that will create **200 high-quality, high-paying jobs**.Like the consumer credit, the "Big, Beautiful Bill" would put this facility at risk by eliminating the Advanced Manufacturing Tax Credit (45X), which gives companies an incentive for making heat pump components and other clean technologies.

Over <u>550 heat pump technicians</u> have trained at colleges across Maine and over <u>680 good-paying</u> jobs are supported through the heat pump economy. This builds on the broader <u>\$2.1 billion clean</u> energy economy in Maine, which surpassed 15,000 total statewide jobs in 2024.

What would the "Big, Beautiful Bill" mean for Maine energy?

Maine has **3.25 GW** of clean electricity deployed, **0.24 GW** under construction, and another **0.59 GW** planned. The table below shows Maine's breakdown of clean electricity generation by technology:

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Technology	Operating (GW)	Planned (GW)	Construction (GW)	Total (GW)
Solar	0.81	0.58	0.01	1.40
Onshore Wind	1.16	0	0.06	1.22
Hydropower	0.69	0	0	0.69
Biomass	0.48	0	0	0.48
Batteries	0.06	0.02	0.18	0.25
Other Clean	0.05	0	0	0.05
Total	3.25	0.59	0.24	4.10

Maine Clean Power Deployment

Data refers to nameplate capacity for clean energy generation.

These projects could be jeopardized by repealing the Clean Electricity Investment Tax Credit (48E) or the Clean Electricity Production Tax Credit (45Y), which support building and producing clean energy. Removing these credits will reduce clean energy on the grid when more is needed. Maine's electricity demand is expected to <u>more than double</u> between now and 2050.

Which Maine energy projects are at risk?

- DESRI's <u>Freedom Pine Solar</u> in Southern Maine will bring 250 MW of new capacity online in January 2029. When completed, this will be the largest clean power project in the state.
- The <u>Cross Town Energy Storage</u> project in Gorham is currently under construction and will provide the state with 175 MW of grid-scale battery storage. Announced in 2024, the facility is expected to begin operations by August 2025, helping to stabilize the regional grid and support the integration of renewable energy sources. When completed, it will be the <u>largest</u> storage facility in Maine and one of the largest in New England.
- Swift Current Energy's <u>Three Rivers Solar Project</u> in Hancock County will deliver 100 MW of clean energy. The company will invest <u>up to \$150 million</u> into the project and hire between 50 and 100 local people to construct the project.
- Glenvale's <u>Warren Meadow Solar Station</u> in Knox County is a planned 74.5 MW solar project expected to come online in 2026. Once operational, it will help power thousands of Maine homes with clean electricity.

These projects, among other clean energy developments across the state, would create hundreds of construction jobs and give local business a boost. But changes to clean electricity tax credits puts these projects, investments, and jobs at risk.

Would my energy bills go up?

The bill eliminates programs and cuts access to key credits that lower the cost of energy. If the bill passes in its current form, <u>Energy Innovation estimates</u> that the average Maine household will spend nearly **\$140 more per year on energy by 2030,** and **\$300 more by 2035**.

What does this mean for residential energy projects in Maine?

The Energy Information Administration (EIA) estimates that Maine has <u>installed</u> 129 MW of rooftop solar. With current incentives, the average Maine household would <u>save \$64,745 over 25 years</u> if they installed solar panels. However, the "Big, Beautiful Bill" would eliminate the Residential Clean Energy Property Credit (25D) that helps people make these cost-saving upgrades. The credit also covers other household energy technologies like battery storage, geothermal heat pumps, and solar water heaters.

Is Maine alone?

No. A nationwide boom in the U.S. clean economy has emerged. Since these credits and programs became law in 2022, companies have announced \$169.2 billion in investments and 172,900 jobs across over 600 clean manufacturing projects in 47 states, with 77% of investment in Republican districts. Clean energy projects totaling 325 GW, enough to <u>power</u> 105 million homes or 209 million EVs, have been built or planned, 80% in Republican districts. This equals the energy output of <u>156</u> <u>Hoover Dams</u>.

If the bill passes as is, <u>Energy Innovation projects</u> a \$1.1 trillion GDP drop from 2025-2034. Electricity costs would rise 50%, adding \$170 billion annually for consumers by 2035. By 2030, 830,000 jobs would be lost, and an additional 790,000 jobs will be lost by 2035.

Top Five Employers in Maine

(source)

- 1. Maine Health / Maine General Health
- 2. Hannaford Bros Co
- 3. Wal-Mart
- 4. Bath Iron Works Corp Gen Dynamics
- 5. L.L. Bean Inc.