

John L. Clark

May 14, 2019

Testimony of John L. Clark with regard to LD 1646

Senator Lawrence, Rep Berry and members of the Energy, Utilities and Technology Committee

I am John Clark and I appreciate the opportunity to testify in favor of LD 1646. After serving 33 years as general manager, I retired two years ago. HWC is a consumer owned electric, water and waste water utility serving the town of Houlton and several surrounding communities. HWC has 5200 electric customers, 2000 water and 2000 waste water customers. HWC is governed by a six member board of directors, elected by the citizens of Houlton, who set policy and retain the services of a general manager to recommend policy, and run the day to day operations.

My background includes Bachelors' degrees in marine engineering from Maine Maritime Academy and mechanical engineering from Northeastern University. I previously worked 14 years for an investor owned electric utility in various capacities as a mechanical engineer and generating plant supervisor. I left the utility as a senior project engineer to become the general manager of HWC in 1984. While at HWC, I also served on the Northeast Public Power Association board of directors for over 20 years and as president for two years. I also participated in the initial formation of the Northern Maine Independent System Administrator (NMISA) in 1999. I served on the board of directors of NMISA from its inception and also served as chairman of the organization for 6 years.

During my tenure at HWC, with the assistance of many technically competent and dedicated employees, we achieved some of the lowest electric rates in Maine and New England while providing excellent reliability and HWC continues to do the same today under the guidance general manager Gregory Sherman. We fortunately, over the course of the last 35 years, have had the good fortune to garner several prestigious awards. Some of those honors include federal EPA environmental recognition, New England utility of the year, and Maine Department of Labor for Safety in operations. Such success is common among consumer owned utilities in New England and across the country.

I give you this background information as proof of the efficient, competent and effective operation that a consumer owned utility can bring to the electric transmission and distribution business. I passionately believe that the consumer owned business model can bring many advantages to the utility industry. Some of those advantages include the lower cost of borrowing and no requirement for stock holder dividend payments. Pluses aside, our most important asset is having only customers to answer to and satisfy. Unlike investor owned utilities that must be concerned with providing increased stockholder equity, sometimes to the disadvantage of customers, consumer owned utilities do not have that inherent conflict. We focus on the customer, asking are our policies and procedures good for our customers? We implement nothing until we have proven decisions will benefit our customers. In my fourteen years with the investor owned utility not once did I hear any of my superiors asking what would be the right choice for our customers? Their mantra was always what can we do to make additional profit? Consumer owned utility boards require and focus on bringing increased value to customers and insist their management fulfil that requirement. With delivery of electricity such an important component of our Maine economy why would you not want to embrace consumer ownership? LD 1646 can bring low cost reliable transmission and distribution service to the entire state.

Thank you and I will close to take any questions you may have.

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