



TESTIMONY SUBMITTED TO THE
JOINT STANDING COMMITTEE ON ENERGY, UTILITIES & TECHNOLOGY
MARCH 30, 2023

ought not to pass

LD 1111 An Act Concerning Contracts and Agreement for Large-scale Water Extraction

Chairman Lawrence, Chairman Zeigler, and honorable members of the Energy, Utilities & Technology Committee. Thank you for the opportunity to testify on LD 1111.

My name is Mark Dubois. I am a licensed geologist in Maine and for 20 years, I have worked as the Natural Resources Manager for the Poland Spring® brand, owned by BlueTriton Brands. We take tremendous pride in the Poland Spring® brand, honor the dignity and hard work of our more than 900 Maine employees, sustainably source our water locally and strive to be fiercely good to the communities we operate in. In 2022 we donated 1 million bottles of water and \$1 million to community and educational organizations in Maine.

Poland Spring has a history of more than 175-years of water stewardship in Maine. By 2025, BlueTriton plans to have its full enterprise independently verified for water stewardship. Our three Maine bottling facilities in Poland, Hollis and Kingfield received the platinum level of certification by the independent Alliance for Water Stewardship. In addition, we conserve 6000 acres of land surrounding our 10 spring sites and 3 bottling plants.

Bottled water is highly regulated and we support that. The U.S. Food and Drug Administration (FDA) regulations, along with the federal Safe Drinking Water Act, state and industry standards, offer consumers assurance that the bottled water they purchase is stringently regulated, tested and of the highest quality. State regulation, including permitting of water sources, further protects consumers and the environment.

Permits for collection at spring sources require monitoring that is absolutely essential to maintain sustainable collection and a thriving environment. It is serious work that provides us operational learnings. Nothing we do is without oversight and accountability – rightly so.

For perspective, in terms of water volume, we collect annually the equivalent of 12% of what ratepayers of the Portland Water District consume annually.

In the last five years, we began purchasing spring water from two consumer-owned water utilities. We saw this as beneficial to all parties. These agreements provide residential and commercial ratepayers with:

- Guaranteed income and certainty over a period of years, which can be used to better maintain infrastructure and to stabilize rates for consumers;
- The ability to curtail or suspend sales to Poland Spring when necessary to protect other customers or the environment; and,
- Payment of at least the tariff rate, and potentially more when the minimum quantity under the take-or-pay provisions is not collected.
- Unlike regular customers, water sold to us requires no treatment further reducing costs and work on the water district.



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Furthermore, in each community, Poland Spring also chooses to conserve land around the springs, supplementing the watershed protection efforts of the water districts.

The existing law requires water districts to act in the best interest of their ratepayers and the science-based stewardship of local water resources. The volume of water we purchase is limited to what the district's team of professionals determines is available and responsible.

Also, current state law requires a thorough and transparent process with public notice and a public hearing for ratepayers and non-ratepayers under 35-A MRSA § 6109-B. A consumer-owned utility must hold a public meeting at least 30 days prior to entering a contract for the large-scale extraction or transportation of water. At the public meeting, the public – that includes ratepayers and non-ratepayers alike - must be given an opportunity to comment and the utility must provide a presentation of the proposed contract and the criteria it will use to decide whether or not to enter the contract. Public notice of that meeting must be sent to each ratepayer, the PUC, the Office of the Public Advocate, and the municipality where the source of water is located. It must also be published in the local paper. Prior to the meeting, the utility is required to make available for public review a copy of the draft contract.

The next step in the process is for these contracts to be reviewed and approved by the Maine Public Utilities Commission to guarantee that ratepayers are not harmed, and that a contracting water district will continue to have the capacity to perform its duties with plentiful water under 35-A MRSA § 703 and 1101.

LD 1111 upends the current and proven process for large purchase contracts. It prescribes an impractical process that will result in a de facto ban on water purchases. As proposed the bill would undermine the authority of water utilities to act in the best interest of ratepayers and water stewardship. It would cede consumers' interests to non-ratepayers devaluing the water district's professional expertise, suppressing the voice of ratepayers, and eliminate a long-term revenue stream to the district.

In addition, it would limit contract terms to three years eliminating the upside and long-term certainty that benefits ratepayers. The short-term of the contract would make it impractical and unaffordable for any large-scale water purchaser including Poland Spring to invest in infrastructure and plan operations.

Lastly, LD 1111 would create a vague requirement that any contract be approved by the general voting public (not the ratepayers) of any town within a watershed – a term that is undefined and typically inconsistent with water districts' lines. Requiring a vote of multiple town legislative bodies, which in most cases would be a town meeting of voters, creates a tremendous burden on water districts. In practical terms this bill would effectively curtail a water district's effort to secure new revenue to invest in public water infrastructure and stabilize rates.

Usurping the management of local water resources from consumer-owned utilities and ceding it to a general voting public, harms consumer protections for ratepayers and impedes the water utilities' science-based stewardship of the water resource.

We therefore ask that you vote "ought not to pass" on LD 1111. We look forward to continuing to work with this Committee on sound public policies that effectively balance the environmental and economic interests of Maine.

Thank you.