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To: Members of the Joint Committee on Energy, Utilities and Technology

From: Ania Wright, Political and Legislative Specialist

Date: February 15, 2023

Re: Testimony in Support of LD 325: An Act To Require Transparency in Transmission and

**Distribution Utility Advertising Expenditures** 

Senator Lawrence, Representative Ziegler, and the members of the Joint Committee on Energy, Utilities and Technology,

I am testifying today on behalf of Sierra Club Maine, representing over 22,000 supporters and members statewide. Founded in 1892, Sierra Club is one of our nation's oldest and largest environmental organizations. We work diligently to amplify the power of our 3.8 million members nation-wide as we work towards combating climate change and promoting a just and sustainable economy. To that end, we urge you to vote "ought to pass" on LD 325: An Act to Require Transparency in Transmission Distribution Utility Advertising Expenditures.

Political transparency is critical to Maine's democracy. LD 325 would expand utility reporting to include not only political spending but also "charitable" and "educational" spending, which also includes parent companies and affiliates. Adding these reporting attributes will increase transparency and help the PUC make sure expenditures are not costing ratepayers.

Political spending and advertising for the ballot question "Act To Create the Pine Tree Power Company, a Nonprofit, Customer-owned Utility" is a prime example of how the lack of transparency from utility companies is misleading to Maine voters. To date, over 10.5 million dollars have been spent by the organization Maine Affordable Energy in opposition to the ballot proposal according to Maine Ethics<sup>1</sup>. Maine Affordable Energy, which claims to be a 'community organization' according to its Facebook page,<sup>2</sup> is wholly funded by Central Maine Power's corporate parent, Avangrid, according to reports filed at the Maine Ethics Commission<sup>3</sup>. Without transparent reporting from CMP as well as all of its affiliated interests, including charitable and educational giving, everyday Mainers will be led astray and be unable to make an informed decision about utility issues.

While direct spending on lobbying and on ballot questions is reported under current law to the Ethics Commission, and direct lobbying by CMP is included in annual reports to the PUC under MRSA Title 35-A, Section 302, influence campaigns by public utilities and their parents have become far more multilayered and multifaceted since Section 302 was written in 1987. At that time, CMP was one entity, and was locally owned. Today, both Versant and CMP are owned internationally,

<sup>&</sup>lt;sup>1</sup> https://mainecampaignfinance.com/index.html#/exploreCommitteeDetail/405784/0/0/41/2021

<sup>&</sup>lt;sup>2</sup> https://www.facebook.com/maineaffordableenergy/

https://mainecampaignfinance.com/index.html#/exploreCommitteeDetail/405784/0/0/41/2021

with multiple intermediary holding companies, and many affiliates. Only by updating our laws, and the PUC rules, can Mainers know how our "public utilities" are seeking to influence public opinion, and know with certainty that our rates are not being used to fund political activities.

Maine ratepayers deserve comprehensive, accurate reporting about how utilities are attempting to buy influence with them, amidst continuing to increase their rates and provide some of the worst service in the United States<sup>4</sup>. It is our position that it should be the responsibility of the utilities to report more fully on their political and advertising activities so that ratepayers, the PUC, and the State of Maine can be informed about the influence of utilities in Maine. To that end, we urge unanimous support for LD 325. Thank you for your time and consideration.

Sincerely, Ania Wright

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Political and Legislative Specialist Sierra Club Maine Chapter

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