



Testimony Neither for Nor Against LD 2067 (as amended)
An Act to Make Permanent the Arrearage Management Program for
Low-income Residential Electricity Customers
February 1, 2024

Senator Lawrence, Representative Zeigler, and distinguished members of the committee, my name is James Cote and I am here on behalf of Versant Power to testify neither for nor against LD 2067.

Versant Power stood before you almost three years ago to testify in support of a bill, LD 143 sponsored by Representative Kessler and former Representative O'Connor, that sought to achieve the same objective as this legislation as printed; to eliminate the future repeal (or sunset) provisions of the law that governs Maine's Arrearage Management Program (AMP) that is implemented by transmission and distribution utilities. We would like to express our appreciation to Representative Foster for bringing this legislation forward once again.

While a relatively small number of customers in Versant Power's service territory take advantage of this program, we believe that it can be a very helpful tool in assisting customers who have fallen behind in their payments to get back on track. For this reason, we believe it is beneficial to make this program permanent.

In order to be eligible to participate in the Arrearage Management Program, a customer must also be HEAP or LIAP eligible and have an outstanding balance of \$500 or more that is 90 or more days past due. The program allows for up to \$ 5,000 in customer arrears per year to be forgiven, assuming the participant follows the criteria, including continuing to pay their current bills on time.

The program provides a primary benefit of providing customers with coaching and financial incentives. Consistent payments combined with monthly forgiveness credits enable participants to bring their past-due balance to zero.

The program also provides secondary benefits such as connecting customers to organizations like Efficiency Maine Trust, who can help those customers address issues such as high or inefficient energy usage. This can make future bills more manageable for customers and reduce the risk that they fall further behind.

As Maine becomes increasingly reliant on electricity, we need to make more tools available to customers to sustain access to reliable and affordable energy. While extending the sunset provision of this program to 2028, as proposed in the amendment, is laudable, we believe that the AMP program deserves a greater level of permanency and predictability. For that reason, we support both approaches, but would prefer the language proposed in the original bill.

Thank you for your consideration, and we would be pleased to bring additional information to the work session at your request.