

Jeremy Nichols
Milo
LD 568

Dear Members of the Committee,

I am writing in strong support of LD 568, which would limit standard-offer electricity service provider contracts to six months and ensure that if the Public Utilities Commission (PUC) rejects all bids for a new contract, the expiring contract continues until a new one is accepted.

A few years ago, when the price of natural gas—used to generate electricity—dropped, Maine ratepayers were locked into a one-year standard-offer electricity supply contract. We were unable to take advantage of lower prices, simply because of the current system. This bill would give us the flexibility to benefit from market fluctuations instead of being stuck with artificially high rates.

According to the Portland Press Herald (July 16, 2023), Maine is the only state in New England where customers are locked into standard-offer prices for 12 months. Why should we be the outlier, especially when it results in higher costs for consumers?

Maine's electricity rates are already a significant burden on households. Delivery and supply charges continue to rise, and with net energy billing fees embedded in our CMP bills, we are subsidizing Chinese solar panel manufacturers and out-of-state solar developers—yet seeing little return. When do Maine ratepayers get a break?

LD 568 is a common-sense solution that introduces flexibility and fairness to our electricity market. I urge the committee to support this bill and vote "Ought to Pass."