



# SIERRA CLUB

## MAINE CHAPTER

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To: Joint Committee on Energy, Utilities, and Technology  
From: Andrew Blunt, Sierra Club Maine Chapter  
Date: March 20, 2025  
Re: **Testimony in Support of L.D. 995: *An Act to Provide Funding for Low-income Electric Ratepayer Assistance***

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

I write on behalf of the Sierra Club Maine Chapter, 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 nationwide 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 L.D. 995.

Maine has a clear energy affordability problem. We have some of the highest energy burdens in the country. According to a recent study by the Office of the Public Advocate, "low-income households pay approximately 8% of their household income just for electricity or double the 4% affordability target."<sup>1</sup> That study continues to quantify the aggregate home energy affordability gap at \$363 million/year.

L.D. 995 authorizes \$7.5 million of that gap to provide immediate relief to low-income electric ratepayers. The bill defines low-income households as those with incomes at no more than 150% of the federal poverty level. For a family of four, that is an annual household income of \$46,800. It is clear that this funding will not address the entire relief need statewide, but it will provide critical aid to those in need.

It is worth noting as well that this relief comes during an annual cycle here in Maine, the winter disconnection moratorium. From November 15th to April 15th, electric utilities are prohibited from disconnecting customers in Maine. During that time, low-income customers tend to opt to prioritize more pressing household expenses, and therefore rack up substantial utility debt over the winter. This cycle harms our state's most vulnerable people and creates cycles of fear and uncertainty.

L.D. 995 is a simple relief bill that is clearly necessary at this time. But the need for this relief tells a broader story. Our ratemaking process is in need of substantial overhaul that stops putting Maine's low-income families in need of this type of state-funded relief. This committee must think creatively about reforms that lighten the energy burden for low-income households or address these households' immediate needs. Banning utility disconnections for customers who are behind on bills

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<sup>1</sup>[https://www.maine.gov/meopa/sites/maine.gov.meopa/files/inline-files/Electric%20Ratepayer%20Advisory%20Council%20Report%20December%201%2C%202024\\_0.pdf](https://www.maine.gov/meopa/sites/maine.gov.meopa/files/inline-files/Electric%20Ratepayer%20Advisory%20Council%20Report%20December%201%2C%202024_0.pdf)

is one option. Or, in France, their utility took a harm reduction approach, replacing its disconnection program with a guaranteed minimum power reduction that provided customers with a “lifeline” amount of electricity (1 kW) instead of a full shut-off.<sup>2</sup> Sweeping reform, such as an inclining block rate design where the first block starts at zero cost, are another option that would get to the source of this issue by reducing energy cost burdens across income classes.<sup>3</sup>

While we encourage the Committee to offer this short-term relief to Maine families who are struggling to make ends meet, we see this as an opportunity to start to explore more creative and sweeping reforms to rates that seek to mitigate similar relief scenarios moving forward. As such, we encourage an “Ought to Pass” vote on L.D. 995.

Sincerely,

Andrew Blunt  
Sierra Club Maine Chapter  
Legislative and Political Strategist

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<sup>2</sup> <https://www.economicliberties.us/ban-abusive-disconnections/>

<sup>3</sup> In situations where low-income households are also high-use households, additional low-income assistance would still be needed.