



Testimony Neither for Nor Against LD 1080
An Act Prohibiting Public Utilities from Requiring Deposits Based Solely on a Residential Customer's Income
April 2, 2025

Senator Lawrence, Representative Sachs, and members of the committee, my name is James Cote and I am here today on behalf of Versant Power to testify neither for nor against LD 1080.

Currently Versant Power follows Chapter 815 rules regarding deposits for applications and customers, which state:

DEPOSITS FOR APPLICANTS AND CUSTOMERS

- A. *Residential Applicants. A Utility may demand a Deposit from a residential Applicant only if one or more of the following circumstances apply:*
1. *An account balance for residential Utility service incurred in Maine is unpaid at the time that the Applicant requests service. The amount must be either:*
 - a. *for service provided within the past six years from the Utility from whom the Applicant requests service; or*
 - b. *for Residential Utility Service provided by any Utility within the past 12 months.*
 2. *An unpaid, undisputed Account Balance for residential Utility service provided in Maine within the past six years was not paid until after the Utility obtained a court judgment.*
 3. *The Applicant was disconnected for nonpayment of an undisputed Bill by any Utility within the past 12 months.*
 4. *The Applicant was disconnected for unauthorized use or theft of service by any Utility within the past 12 months.*
 5. *The Applicant entered into a plan of repayment under Chapter 13 of the Federal Bankruptcy Code and the Bankruptcy Court dismissed the plan for failure to comply with its terms within the past six years.*
 6. *The Applicant has no source of income sufficient to pay the cost of Utility service.*

Notwithstanding the other provisions in this subsection, a Utility may not demand a Deposit from an Applicant who submits to the Utility an enforceable Protection from Abuse Order.

LD 1080 proposes to prohibit a utility from requiring a deposit based solely on the income of the applicant, something currently authorized by Sec.A-6 above.

Versant seeks to strike the appropriate balance between our obligation provide service to all customers and our responsibility to protect the financial interests of our ratepayers, including by requiring deposits in certain cases subject to the provisions of the MPUC's Ch. 815 rules.



Should the Legislature direct a change to the rules governing these requirements we will conform our practices to comply with those new directives.

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

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