

April 8, 2025

Honorable Mark Lawrence, Senate Chair Honorable Melanie Sachs, House Chair Joint Legislative Committee on Energy, Utilities and Technology **100 State House Station** Augusta, ME 04333

Re: Testimony in Support of LD 1309, An Act to Increase the Membership of the Public Utilities **Commission to 5 Members**

Dear Senator Lawrence, Representative Sachs, and Members of the Committee on Energy, Utilities and Technology:

The Maine Water Utilities Association (MWUA) appreciates the opportunity to provide testimony in Opposition of LD 1309, which expands the membership of the Public Utilities Commission to 5 members.

About MWUA. MWUA is a nonprofit association based in Augusta that provides support for water works professionals throughout the State of Maine in advocating for safe drinking water through educational and technical programming as well as advocacy on the local, state, and national level. The Association was formed in 1925 and consists of approximately 86 utility and 60 associate members. Maine's water utilities provide service to approximately 700,000 Maine residents, thousands of Maine businesses and public institutions, and millions of visitors to Maine every year.

Discussion. The Maine Public Utilities Commission was formed by the Maine Legislature in 1913. As such, it was set up from the outset to operate with 3 Commissioners. Notably, there is a significant difference between legislative bodies like the Maine Legislature or local city councils, and judicial bodies like state or federal courts. In the case of the Maine Public Utilities Commission, it primarily operates as a quasi-judicial entity with its purpose being to administratively apply the law to the fact patterns of specific cases. The decision-making is legal in nature. By contrast, the legislative branch is responsible for setting policy through the legislative process, which is primarily political in nature. These legislative boards tend to be larger, which makes sense since these bodies are generally based on geographic representation.

Our opposition to increasing the size of the Maine Commission is based both on the cost of increasing the size of the Commission, as well as potential impacts to the structure of the Commission as a judicial panel. Judiciary panels or arbitration boards tend to consist of three members, including the US Courts of Appeals from around the nation. This smaller number has served us well.

Likewise, many consumer-owned water utilities in Maine are governed by 3 member boards, whether elected or appointed. This small size promotes collaboration and fact-based decision making.

A 5-person utilities commission would also be the exception in New England. Vermont, New Hampshire, Massachusetts, Rhode Island and Connecticut all regulate utilities through a 3-person Commission. Connecticut did pass legislation to operate a 5-person Commission, but to date the Governor has not expanded the Commission. These states, with arguably as great or greater a regulatory case load, have not seen the need to increase the number of Commissioners.

As a final note, it is important to note that Maine PUC Commissioners are not allowed to discuss their decision-making with other PUC commissioners other than in the context of a public meeting. As a result, a decision of the Maine PUC reflects the independent decision of each commissioner, free from behind-the-scenes negotiating. Moving to a 5-member panel would not change this basic dynamic. The only difference would be 5 independent decisions rather than 3 independent decisions. The number of decision-makers would be larger from a quantitative standpoint, but there is no reason to think the decisions would be any different on a qualitative basis. This will cost us more, but without adding value.

Conclusion. LD 1309 will increase the cost of the Commission because we would be paying for two extra commissioners. This will increase the annual PUC assessments on utilities, including on water utilities, which assessments have substantially increased in recent years. These costs are in turn passed directly on to ratepayers. We do not feel this adds value to our customers; in fact, we have concerns that it may negatively impact the structure and efficiency of the Commission.

Thank you for your consideration,

Kge howe

Roger Crouse,

Chair, MWUA Legislative & Regulatory Affairs Committee

cc: James I. Cohen, Verrill Dana, LLP, Legislative Counsel