



Committee on Energy, Utilities and Technology
% Legislative Information Office
100 State House Station
Augusta, ME 04333

May 15, 2025

Re: Public Hearing, LD 1949, An Act Regarding Energy Fairness

Dear Senator Lawrence, Representative Sachs and Members of the Committee:

Thank you for the opportunity to share testimony in support of LD 1949, *An Act Regarding Energy Fairness*, on behalf of the Maine Renewable Energy Association (MREA). MREA is a not-for-profit association of renewable energy producers, suppliers of goods and services to those producers, and other supporters of the industry. Our member companies include wind, solar, hydropower, biomass, and tidal energy generators and developers of such projects, as well as companies that provide services to those producers and developers, such as environmental engineers, electricians, and general contractors.

MREA's testimony is specific to Section C-2 of the bill, having to do with administrative charges and utility bill transparency. This section of the bill requires that utility bills for services beyond regular monthly electrical service (such as interconnection or line extension) identify and disclose all administrative charges. Administrative charges, as defined in the bill, include indirect overhead costs and exclude labor, materials, and supplies. MREA supports this portion of the bill because bill transparency is a basic consumer right and the bill's proposed oversight by the Maine Public Utilities Commission (Commission) ensures reasonable consumer protection against inflated utility charges.

MREA recommends that the Committee review testimony submitted by Lindsay Bourgoine of ReVision Energy. In their testimony, ReVision Energy details a docket (2005-00520) in which the Commission found that a Central Maine Power (CMP) customer was over-billed for a line extension and approved a 16% administrative adder. That same 16% "Administrative Support Charge" (ASC) was formally established in a 2008 CMP rate case (2007-00215) and continues to be used today. This bill proposes that the Commission review, every five years, whether this rate continues to be reasonable.

ReVision Energy's testimony also details the lack of clarity in utility bills. Their testimony includes a \$1.7 million interconnection bill that has only four line items: contractors, labor, materials, and other. ReVision uncovered, using considerable time and resources (including

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utility resources), that approximately 40% of the total costs for line extensions for interconnecting customers are indirect fees (a combination of the ASC, traditional overhead, indirect pooled costs, and allocations). More specifically, 22% is administrative charges and 18% is indirect overhead from contractors. ReVision Energy was told by CMP that the 16% ASC is charged on top of each line item (except "other"), meaning that overhead is being charged on overhead. This is not acceptable.

LD 1949 requires that utilities adequately label customer bills and enables Commission oversight of administrative charges. MREA encourages the Committee to advance this section of the bill in support of basic customer rights and consumer protection against potentially unreasonable utility charges.

Sincerely,

A handwritten signature in cursive script, reading "Eliza Donoghue".

Eliza Donoghue, Esq.
Executive Director