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November 6, 2025

Testimony in Support: LD 1223, An Act to Lower Electric Rates for Maine Ratepayers by Requiring the Payment of Certain Costs from the General Fund (Sponsor's Amendment dated October 25, 2025)

Greetings Senator Lawrence, Representative Sachs, and honorable members of the Joint Standing Committee on Energy, Utilities and Technology. My name is Alf Anderson, and I am an Associate State Director for Advocacy and Outreach for AARP Maine. AARP is a non-profit, non-partisan social mission organization with more than 200,000 members across the state. We work on a range of energy issues at the state level. The core principles we approach this work with include affordability, reliability, and accountability.

AARP Maine supports the revised version of this bill circulated by the sponsor on October 25, 2023.

AARP Maine supports additional funding from the General Fund to offset the rate increases due to the Net Energy Billing mandates for solar developments. This provision reflects the mandates for NEB and solar developments that have caused costs far in excess of the benefits to electric distribution service ratepayers. It is appropriate for progressive income taxes to contribute to the societal and environmental benefits that are alleged to support the NEB mandates from the General Fund.

We appreciate the elimination of language in the prior version of this bill that would require the costs for the low-income assistance programs be funded entirely from the General Fund. While we support supplemental funds from the General Fund, supporting the ability of all Mainers to afford essential electric service is part of the obligation associated with providing essential electric service, whether included in investor owned or community owned rates. Relying entirely on the General Fund for essential electric service affordability for our lowest income families would subject that program to the vagaries of the annual or biannual appropriations process and call into question the ability to ensure a stable and predictable funding. Such an approach would expose our neediest families to uncertainty and potentially increase disconnections and uncollectible expenses included in our rates.

AARP Maine also appreciates the language concerning time of use (TOU) rates. The issue of whether or how a TOU rate should be ordered or mandated for residential and small commercial customers is currently before the Public Utilities Commission in an adjudicatory proceeding, Docket No. 2025-00176. This proceeding is also required to examine the legislature's requirements of "An Act to Clarify the Public Utilities Commission's Authority to Establish Time of Use Pricing for Standard Offer Service," Public Law Chapter 196. This statute sets forth the process for the Commission to consider establishing TOU prices for Standard Offer Service. AARP favors optional time of use pricing.

AARP Maine strongly supports the proposal of this bill to prohibit competitive electricity providers (CEPs) from serving low-income customers since those rates are typically higher than the Standard Offer and contribute to delinquent bills and expensive collection actions. Maine residential customers served by CEPs have paid over \$150 million more than the applicable Standard Offer since 2021. We would suggest, however, that if a CEP

offered a price that is lower than the Standard Offer, such an option could be available. Our recommendation reflects the policies in effect in New York, Illinois, Ohio, Connecticut, Maryland, and Pennsylvania, where regulators have found that the cost to all ratepayers who fund assistance programs have increased due to the higher prices charged by these retail electricity marketers and who prohibit retail marketers from enrolling low-income customers unless the price is less than default service.

Thank you for the opportunity to provide our views on this important bill. If I can answer any questions or provide any further information, you can reach me at aanderson@aarp.org or 207.330.1147.

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