

Testimony of Bart Fromuth of FEL on LD 2112: Community Choice Aggregation Programs

Senator Lawrence, Representative Sachs, and distinguished members of the Energy, Utilities, and Technology Committee, thank you for the opportunity to testify on LD 2112. My name is Bart Fromuth, CEO of Freedom Energy Logistics—a New Hampshire-based company specializing in electricity procurement for commercial, industrial, and municipal customers, including community choice aggregation. We currently serve over 100 municipalities throughout New England, with 14 operating community choice aggregation programs. I am also a former New Hampshire state representative (2014-2018) and co-author of New Hampshire’s opt-out community choice aggregation legislation, which passed with strong bipartisan support in 2019.

Community Choice Aggregation (CCA) is a proven approach that lets residential and small business customers benefit from electric choice just like larger customers do. While big companies are able to frequently secure better contracts, rates, and consumer protections, smaller customers usually don’t have this advantage and end up with limited options, higher rates, and little to no savings compared to the default service rate. CCA addresses this issue by enabling municipalities to pool their electricity needs, giving residents and small businesses enough collective power to negotiate better rates, greater local control, increased optionality and improved consumer protections.

Importantly, participation in CCA is entirely voluntary for municipalities. Communities that do not wish to adopt this program are under no obligation to do so. For individual customers, there is no fee to switch, and there is no change in how you interact with your utility—customers still receive and pay just one bill from the utility company. The utility continues to handle outages, meter reading, and billing questions, so there are no disruptions in service or added complexity.

This program is simply another option to potentially help lower energy rates, provide rate stability, and/or increase access to clean electricity. According to a 2023 UMASS Amherst School of Public Policy study, which I have attached to my testimony for your review, 80% of municipalities in Massachusetts with a community choice program achieved savings. That number becomes even more impressive when you factor in that 60% of the 157 communities surveyed had a higher renewable content in their aggregation program than the default service rate to compare. The study concluded “these results suggest that community choice electricity programs contribute to both sustainability (by allowing higher renewable energy levels) and equity (by reducing costs).” It is important to note that each community has the ability to design a CCA to meet the needs and priorities of their citizens—whether focusing on maximizing savings opportunities, increased renewable inclusion, or combining both strategies, as demonstrated in Massachusetts.

In summary, Community Choice Aggregation offers Maine’s communities a practical, low-risk way to bring the benefits of electric choice to more customers—without fees, behavioral changes, or mandatory participation. Thank you for considering this important opportunity for Maine’s energy future and I am happy to answer any questions that the committee may have.