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Limerick
LD 2203

To: Members of the Energy, Utilities and Technology Committee
Re: LD 2203 – An Act to Prohibit Competitive Electricity Providers from Charging More Than the Standard-Offer Service Rate to Low-Income Customers

Honorable Members of the Energy, Utilities and Technology Committee,

I submit this testimony regarding LD 2203 and the broader crisis of electricity costs facing Maine families.

According to reporting last summer, Maine experienced the highest year-over-year residential electricity cost increase in the nation between May 2024 and May 2025 — a staggering 36.3% increase. The national average during that same period was just 6.5%.

That disparity is not weather.

It is not coincidence.

It is policy.

Under the administration of Governor Janet Mills, Maine families are paying dramatically more for electricity than the rest of the country. This is not sustainable for working families, retirees on fixed incomes, or small businesses already burdened by inflation.

It is also important to recognize that low-income households in Maine already receive layered energy assistance:

Fuel Assistance (LIHEAP)

- Federally funded Low Income Home Energy Assistance Program
- One-time seasonal benefit applied to heating costs
- Income-qualified

Electricity Rate Assistance Program (EAP)

- Monthly percentage discount on electric bills
- Funded by ratepayers
- Based on income tiers

In addition, during extended power outages, households receiving SNAP benefits may qualify for replacement benefits if food is lost due to lack of electricity under federal guidelines.

Low-income households therefore may already receive:

- A direct heating benefit
- A discounted electric rate
- Replacement SNAP benefits during qualifying power outages

Before adding further caps or regulatory layers through LD 2203, lawmakers must ask:

Why are Maine's base electricity costs the highest in the nation in terms of year-over-year growth?

The Legislature should conduct a serious structural review of:

1. Standard-offer procurement strategy — how contracts are bid and whether ratepayers were exposed to unnecessary volatility.
2. Competitive supplier oversight — whether adequate protections are in place to prevent higher-cost contracts and whether regulatory oversight has been sufficient.

It is also appropriate to ask whether the Governor's broader energy policies — including procurement mandates, renewable portfolio requirements, and long-term contracting strategies — have contributed to increased supply costs and market volatility. When Maine leads the nation in electricity cost increases, executive energy policy decisions must be subject to transparent review and legislative oversight.

Layering additional restrictions may provide limited relief for a specific group, but it

does not address the underlying drivers of Maine's 36.3% increase. Structural reform, transparency, and accountability must come first.

Electricity is not optional. It is essential infrastructure.

Mainers deserve solutions that lower costs for everyone — not policies that treat the symptom while leaving the root causes untouched.

Respectfully submitted,

Wendy L. Fenderson