The voice of Maine business



March 8th, 2023

Hon. Senator Mark Lawrence, Senate Chair Hon. Representative Paige Zeigler, House Chair Joint Standing Committee on Energy, Utilities, and Technology 100 State House Station Augusta, Maine 04333

RE: MSCC Testimony in Opposition to the proposed amendment to L.D. 699: An Act to Reduce Future Energy Costs

Dear Senator Lawrence, Representative Zeigler, and members of the Energy, Utilities, and Technology Committee:

My name is Ben Lucas, I live in Portland, and I represent the Maine State Chamber of Commerce, a statewide business organization consisting of a network of more than 5,000 small and large employers across Maine. The Maine State Chamber of Commerce is submitting testimony in opposition to the proposed amendment to L.D. 699.

L.D. 699 is likely to be the first of potentially several pieces of legislation introduced this session as competing measures to a November initiated ballot question creating a governmental seizure of the State's two largest transmission and distribution utilities. The State Chamber and the business community is strongly opposed to that proposal. Given the flaws of that proposal, we are likely to see a number of pieces of legislation seeking to make improvements.

We are opposed to L.D. 699 for several reasons, the first being this is looking to address a problem that does not exist yet. Currently in Maine we do not have any consumer owned utilities that serve more than 50,000 customers. It is too early to be having this conversation and right now it is a hypothetical question until we know the outcome of the election in November.

Secondly, the proposal before you highlight some of the flaws proposed within, "Pine Tree Power". It adds another layer of bureaucracy and shows a lack of trust in the elected officials who would supposedly be running Pine Tree Power. L.D. 699 would make it more challenging to try and select a third-party operator to run the electric grid. Furthermore, what would happen if the commission cannot approve a contract for an operator because they cannot meet the demands put forward in the proposed legislation? Our electrical infrastructure is critical to Maine businesses. Our businesses rely on the transmission utilities every single day to bring

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electricity to their business so they can operate and the impact this could have on all businesses in Maine and the people they employ is deeply concerning if something like this were to happen.

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Thirdly, the proposed legislation seems to indicate that Pine Tree Power will automatically result in a 10% rate reduction, and we would question how that is possible. When you think about all the challenges that go into running a utility – the operations, maintenance, customer account management or customer service, modernizing the grid into the future, we would raise serious questions about that being realistic.

Our last point, right now the business community in Maine has lots of challenges facing them when it comes to energy. The proposed legislation doesn't address any of the urgent challenges that are currently facing the business community in Maine, and therefore we would advocate that this is not a policy conversation that should be taking place at this exact moment in time.

We encourage the committee to vote, "ought not to pass" on L.D. 699. I am happy to answer any questions and we will be available to bring back additional information for the work session. Thank you.

Sincerely, Benjamin R. Lucas Senior Government Relations Specialist Maine State Chamber of Commerce Email: <u>blucas@mainechamber.org</u>