

Senator Lawrence
Representative Zeigler
Members of the Energy, Utilities and Technology Committee

Re: LD 952, An Act to Create a 21st -Century Electric Grid

My name is Debra Hart and I am a resident of Manchester, Maine. I am providing these comments in opposition to LD 952 on behalf of the Dirigo Electric Cooperative Companies.

The COUs see this bill as problematic and unnecessary. There is no need to spend money to have a consultant create a proposal for the design of a Distribution System Operator (DSO). Having a DSO in place would take the oversight and operation of a COU's electric system out of the hands of the utility and put it into a governmental agency. This would add an unnecessary layer of bureaucracy that would impede a COU from performing its utility function in a timely, efficient, and effective manner while improving reliability and customer service. The listed duties of the DSO are already being performed by the utilities and other existing state agencies. Specifically, are the following comments:

Section 1, subsection 1 lists the items the the DSO must be designed to do.

- A. A new state agency is not needed for integrated system planning.
- B. The COUs and the other utitilites are responsible for grid operation, efficiency, equity, reliability and customer service. Having another entity provide these fundamental functions of an utility would be stripping the utility of being an utility and being responsible for its utility functions.

It is unclear what how it is intended for the DSO to "provide" these core utility functions. Would the DSO replace the exiting utility employees currently responsible for these functions? Would the DSO tell the exiting utility employees what they must do and how they must do it?

Under either scenario, who is responsible if the utility functions are not performed to the level expected or required? Is it what is left of the utility or is it the DSO?

Again, the creation and even just the studying of a DSO is not needed. If an utility is not meeting the requirements of these functions, the Maine Public Utilities Commission (MPUC) has the ability to have the utility take actions to change and improve.

There are cost and rate implications for how all of the utility functions are performed. The COUs take into account the unique circumstances of each of their utilities when making decisions. This decision making must remain with the COUs.

- C. We are not completely sure what is meant by electricity market administration. If it means procure Standard Offer Service electricity supply pricing and terms, the Consumer Owned utilities have the ability to do that for themselves and have been doing such with overall very reasonably good prices. The ability for the COUs to continue to do so must remain. There does not need to be another state agency to perform this function.
- D. Electric system planning is a core utility function. Taking this away from a COU or another utility would, again be stripping the utility of being a utility.

The end of Section 1 of this bill states, "The DSO design may not include the acquisition or ownership of any transmission and distribution utility assets". The COUs believe that relieving the COUs of their utility functions takes away the relationship between the COUs and its consumers who are its owners. It would take away the accountability that COUs have to its consumer/owners as decisions would be made by a state agency and not through the local elected Board of Directors. Having a DSO would take away the control that the consumer/owners of a COU have over its utility.

Section 1, subsection 2 of the bill lists items that the DSO may be designed to do. Another state agency is not needed for these items as the utilities are responsible for them or an existing state agency is.

This bill is not needed as the elements included in the bill are already being performed by the utilities or other agencies and the MPUC can take action with an utility if necessary. There is no need to unnecessarily spend money to study something that is not necessary and if enacted would be to the detriment of the consumer/owners of the COUs.

Thank you for your time and attention. I'd be happy to answer any questions you may have.