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Testimony in Opposition
LD 568, “An Act to Modify the Process for Standard-offer Contracts with the Public Utilities Commission”
March 6, 2025

Senator Lawrence, Representative Sachs, and distinguished members of the Joint Standing Committee on Energy, Utilities and Technology,

My name is Heather Sanborn, here today as Public Advocate, to testify in opposition to LD 568, “An Act to Modify the Process for Standard-offer Contracts with the Public Utilities Commission.”

This bill limits standard-offer electricity service provider contracts to six months and requires that if the Public Utilities Commission (PUC) rejects all bids at the end of a contract term, the expiring contract continues until a new bid is accepted. While shorter contracts may better align prices with current market rates compared to the existing one-year terms, whether the impact is positive or negative depends on market fluctuations. The provision forcing an expiring contract to continue indefinitely if no bids are accepted creates dramatically heightened risk for bidders and would have the effect of driving up prices as bidders factor in the risk of an indefinite extension at the same price. We believe the PUC is best positioned to determine the timing and structure of standard-offer solicitations. Imposing rigid contract lengths and indefinite extensions could reduce bidder participation and increase costs, ultimately working against ratepayer interests.

Thank you for your time, attention, and consideration of this testimony. The Office of the Public Advocate looks forward to working with the Committee on LD 568 and will be available if requested for the work session to assist the Committee in its consideration of this bill.

Respectfully submitted,

Heather Sanborn
Public Advocate