



MAINE RURAL WATER ASSOCIATION

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To: Senator Lawrence, Representative Sachs, and Members of the Committee for Energy Utilities and Technology

From: Bradley Sawyer, Deputy Director

Date: April 2, 2025

Re: Testimony in Support of L.D. 1127, An Act to Establish Immunity for a Receiver Appointed by the Public Utilities Commission to Oversee the Operations of a Consumer-owned Water Utility

Senator Lawrence, Representative Sachs, and distinguished members of the Joint Standing Committee on Energy, Utilities, and Technology, my name is Bradley Sawyer, and I am here today on behalf of the Maine Rural Water Association to express our support for L.D. 1127, which seeks to amend the laws governing small utility receiverships. MRWA represents and advocates for the interests of Maine's water and wastewater utilities, and we appreciate the opportunity to provide our perspective on this important issue.

Small utilities play a crucial role in ensuring safe and reliable water service to Maine's rural communities. However, when these systems experience financial or managerial distress, the appointment of a qualified receiver is necessary to maintain service continuity and protect public health. The proposed change in L.D. 1127 is a small step in improving the receivership process, a goal that MRWA strongly supports. This bill would add a layer of protection to the receiver while they undertake the potentially daunting task of reconstituting a board of trustees and possibly rebuilding a larger piece of the utility. This person, or entity should be entitled to the same protections under the law that a board of trustees enjoys, and we support the effort to state that concept so clearly in state statute.

Maine Rural Water was behind the original legislation four years ago that created the concept of a legal receiver. We appreciate the Public Utilities Commission willingness to improve this law as new information is learned and new scenarios come to light. Specifically, we urge the Committee to consider allowing municipal officials, or an entire selectboard, to serve as receivers. In many cases, municipalities are well-positioned to provide the necessary oversight and administrative capacity to stabilize struggling utilities. This change would enhance local control and facilitate smoother transitions when a receivership is required.

We encourage the Committee to move forward with L.D. 1127 and to also explore broader improvements to the statute that would address the needs of small utilities in a practical and effective manner. MRWA remains committed to working collaboratively with policymakers, the PUC, and other stakeholders to ensure that Maine's small utilities remain viable and capable of serving their communities. Thank you for your time and consideration. I am happy to answer any questions the Committee may have.