



MAINE STATE LEGISLATURE

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April 16, 2025 - Testimony in support of LD 1592:

"An Act to Reduce Energy Costs by Permitting the Ownership of Generation by Investor-Owned Transmission and Distribution Utilities"

Good afternoon, Senator Lawrence, Representative Sachs, and members of the Joint Standing Committee on Energy, Utilities and Technology. I'm Representative Billy Bob Faulkingham, and I serve as the House Republican Leader. I represent House District 12, which includes the towns of Franklin, Gouldsboro, Hancock, Sorrento, Sullivan, Winter Harbor, and Steuben.

I'm here today to speak on behalf of Maine families and businesses who are struggling to pay their electric bills. Our energy system is no longer working in the best interests of Maine ratepayers, and ***LD 1592 – "An Act to Reduce Energy Costs by Permitting the Ownership of Generation by Investor-Owned Transmission and Distribution Utilities"*** is a critical step toward addressing out-of-control rate hikes.

For too long, our electricity market has operated under outdated rules that were intended to promote competition, but instead, they've limited our ability to act in the best interest of Mainers. Today, we're asking a simple question: Why shouldn't our regulated utilities be allowed to help lower costs by owning and operating generation assets, under strict oversight? LD 1592 provides a common-sense, carefully regulated pathway to do just that.

This bill does not propose a free-for-all. It lays out strong protections for ratepayers by requiring the Maine Public Utilities Commission to adopt comprehensive rules that:

- Ensure ratepayers are not on the hook for generation investments unless explicitly approved by the PUC;
- Require separate accounting to prevent cost-shifting or cross-subsidization;
- And establish clear standards of conduct for utility affiliates involved in generation.

These rules will create a firewall between generation and delivery operations, while opening the door for utilities to invest in affordable and reliable energy sources that serve Maine people directly.

At a time when Mainers are seeing their power bills rise dramatically year after year, not because of transmission costs, but due to volatility in the generation market, we should be expanding, not restricting, the tools available to lower costs. Allowing investor-owned utilities to participate in generation can introduce greater control and accountability, more stability in pricing, and better alignment between supply and demand, all while being subject to strict oversight by the Public Utilities Commission.

Let's remember: the energy landscape has changed dramatically since Maine restructured its electric industry more than two decades ago. The promise of lower rates through competitive generation has not materialized for most customers. Instead, we've seen rising costs, market volatility, and a disjointed system where no one is clearly responsible for delivering affordable electricity to the end user.

LD 1592 gives us an opportunity to rethink that and do better for the people of Maine.

I urge this Committee to support LD 1592 and give Maine utilities and Maine people the chance to innovate, compete, and reduce energy costs within a strong regulatory framework. Thank you for your time and for your service to the people of Maine. I'm happy to take any questions.

Respectfully,

A handwritten signature in black ink that reads "Billy Bob Faulkingham". The signature is written in a cursive, flowing style.

Rep. Billy Bob Faulkingham
House Republican Leader