

STATE OF MAINE PUBLIC UTILITIES COMMISSION

Amy Dumeny ADMINISTRATIVE DIRECTOR

Patrick J. Scully Carolyn C. Gilbert COMMISSIONERS

Testimony of the Maine Public Utilities Commission Neither For Nor Against

LD 1535, An Act to Reduce Illegal Cannabis Operations by Requiring Permits for High Electrical Usage

April 24, 2025

Senator Lawrence, Representative Sachs, and Distinguished Members of the Joint Standing Committee on Energy, Utilities, and Technology (Committee), my name is Deirdre Schneider, testifying neither for nor against LD 1535, An Act to Reduce Illegal Cannabis Operations by Requiring Permits for High Electrical Usage on behalf of the Public Utilities Commission (Commission).

LD 1535 requires a permit for the installation or upgrade of electrical service to a total of 300 amperes or more in a residential building granted by either the municipal electrical inspector or the state electrical inspector. The inspector is required to notify the transmission and distribution utility that serves that residential customer of an application made for this installation or upgrade. It also requires both a consumer-owned and investor-owned transmission and distribution (T&D) utility to report suspicious power usage to the code enforcement or inspection authority of a municipality when one or more specified events occur.

While illegal cannabis operations can pose a risk to safety, the Commission is concerned that some of the events triggering reporting are overly broad and could lead to innocent customers being unfairly targeted. Specifically, reporting when a transformer malfunctions or a transformer larger than 25 kilovolt-amperes is installed for a customer are not uncommon occurrences and are in most cases would not be linked to illegal cannabis operations. Even evidence of power diversion or theft would not necessarily signal an illegal cannabis operation.

A similar proposal was made by Versant Power during rulemaking to amend the Commission's consumer protection rules (Chapter 815). Versant proposed allowing utilities to proactively disclose confidential customer information to law enforcement when a utility suspects, based on characteristics of usage, that there is an illegal cannabis venture operating in its service territory. Commenters opposed this proposal, with one stating that they had serious concerns about a utility incorrectly identifying a customer as an illegal marijuana grower. The Commission agreed with commenters and declined to adopt those proposed changes given legitimate privacy concerns and the high likelihood of lawabiding customers being negatively impacted.

If the Committee moves forward with this legislation, the Commission suggests that the triggers for reporting be more narrowly tailored to reduce the likelihood that law abiding customers will be unfairly

LOCATION: 26 Katherine Drive, Hallowell, ME 04347

PHONE: (207) 287-3831 (VOICE)

MAIL: 18 State House Station, Augusta, ME 04333-0018

TTY users call Maine Relay 711

FAX: (207) 287-1039

targeted. Currently, law enforcement, if it suspects there is an illegal cannabis operation, can get a warrant for information from the utility about the customer. This may be the appropriate process for addressing this issue.

I would be happy to answer any questions or provide additional information for the work session.