



Testimony Supporting LD 1949, May 2025

Good morning Senator Lawrence, Representative Sachs, and members of the Committee:

Thank you for the opportunity to provide testimony before the Committee on Energy, Utilities, and Technology. My name is Charlie Spatz and I am the Research Manager at the Energy and Policy Institute (EPI) and a Maine resident.

EPI is a national utility research and watchdog organization. EPI has documented how electric and gas utilities use the money they collect from customers' monthly bills to fund political machines that aim to push legislation and curry favor with regulators.

EPI supports LD 1949, and particularly endorses all additions to Part B and Part C, sub-section 1-B.

Part B builds on previous legislation passed by this committee in 2023, strengthening the consumer protections to be on par with similar legislation passed in Colorado and Connecticut. Specifically, it provides additional protections for customers by preventing utilities from charging them for board of directors and investor relations expenses as well as limiting costs associated with rate case proceedings. Additionally, the bill creates a bright line to prohibit utilities from charging ratepayers for the salaries of employees who conduct lobbying.

With that said, EPI suggests strengthening this bill by making the penalties under Section B-3(6) mandatory. As written, we're concerned this section will not sufficiently deter rule-breaking by utilities operating under the assumption that they can continue to avoid penalties for violations.

EPI's recent analysis found that since a similar law went into effect in Connecticut, the state's investor-owned utilities (including several owned by Avangrid) have disclosed over \$9.7 million spent on costs that are not allowed to be recovered from ratepayers thanks to the state's law.¹

¹ Itai Vardi, "New Laws Curbing Utility Political Spending Saving Ratepayers Millions of Dollars," February 28, 2025. <https://energyandpolicy.org/new-laws-curbing-utility-political-spending-saving-ratepayers-millions-of-dollars/>

In Connecticut, Avangrid utilities disclosed annual investor relations and board of directors expenses totalling over \$923,000. A portion of those expenses were for travel and meals. Additionally, Avangrid annual rate case expenses totalled over \$1.5 million.²

By passing LD 1949, Maine has an opportunity to save customers money and to protect them from paying for utility expenses that do not benefit them. I encourage the Committee to pass the bill. Thank you for your time and consideration. Please let me know if you have any questions.

² "Senate Bill 7 Avangrid filing," January 15th, 2025
<https://www.dpuc.state.ct.us/DPUCUndocketed.nsf/c8f9534162d6bc06852588cb0069a8e4/85258836007b5c9885258c130074f661?OpenDocument&scrollTop=669>