

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

From: Bradley Sawyer, Deputy Director

Date: May 15, 2025

Re: Testimony in Opposition to L.D. 1949, An Act Regarding Energy Fairness

Senator Lawrence, Representative Sachs, and Members of the Joint Standing Committee on Energy, Utilities, and Technology, thank you for the opportunity to submit testimony today in opposition to L.D. 1949. The Maine Rural Water Association is a member-driven nonprofit organization based in Richmond, dedicated to providing training, technical assistance, and advocacy on behalf of our approximately three hundred members. The majority of our membership consists of water and wastewater utilities from across the state, all of whom are deeply committed to ensuring clean, safe drinking water and protecting the environment through the proper treatment of wastewater.

The proposed limitations on utility shutoffs, while well-intentioned, create significant challenges for small, consumer-owned water utilities, which operate on tight budgets and rates that are already approved by the PUC. Under L.D. 1949, utilities would be broadly prohibited from disconnecting service for nonpayment if any household member is over sixty-five, under twelve months of age, medically vulnerable, or even in the process of applying for assistance. While these criteria aim to protect vulnerable populations, they place the burden of enforcement—and the cost of non-collection—squarely on the shoulders of small utilities that are already struggling to maintain financial stability.

Consumer-owned water utilities have no shareholders and operate solely on the revenue they collect from ratepayers. When a utility is forced to continue providing service without payment, those unpaid costs are effectively shifted onto the rest of the community. For small towns and rural areas, this is not sustainable. These systems rely on timely payment to keep water safe, infrastructure functional, and operations staffed. Imposing blanket restrictions on shutoffs, without adequate funding or significantly targeted criteria, undermines the fairness and accountability that these local utilities strive to uphold.

Consumer-owned water utilities are fundamentally different from the large, investor-owned electric companies that this bill appears to target. They are non-profit, governed by local trustees, and accountable directly to the customers they serve. They already operate under tight budgets and heavy oversight. Adding another layer of restrictions on their ability to recover legitimate operating expenses simply does not make sense—and it threatens to undermine the quality and reliability of essential water service in Maine's rural communities. For these reasons, we urge the Committee to amend the bill to exempt consumer-owned water utilities from all of Part B—not just select paragraphs—or to remove them from the scope of the legislation entirely. We appreciate the intent of this bill and the focus on fairness, but we ask that fairness also be extended to the many small water systems trying to do right by their customers with limited resources and staff.

Thank you for your time, I am happy to answer any questions the committee may have.