

Testimony of Jake Lachance
Before the Joint Standing Committees on Energy, Utilities and Technology
In Opposition to L.D. 1963, An Act to Protect and Compensate Public Utility
Whistleblowers
May 15, 2025

Senator Lawrence, Representative Sachs, and members of Joint Standing Committee on Energy, Utilities and Technology, my name is Jake Lachance. I am here on behalf of the Maine State Chamber of Commerce, representing a network of more than 5,000 businesses. Thank you for the opportunity to provide testimony in opposition to L.D. 1963, An Act to Protect and Compensate Public Utility Whistleblowers.

We appreciate and support the goals of safety, accountability, and transparency within Maine's utility infrastructure. However, we must respectfully oppose this bill due to its duplicative nature and the additional regulatory burdens it places on both employers and the Maine Public Utilities Commission (PUC).

Existing Protections Already in Place

Maine already has comprehensive whistleblower protections under the Maine Whistleblowers' Protection Act (26 M.R.S. §§ 831–840), which ensures that employees who report violations of law, safety risks, or other concerns are protected from retaliation. These protections are robust, widely communicated through employer postings, and enforced through the Maine Human Rights Commission.

Furthermore, workers—including those in utility and contractor roles—have additional protection under federal programs such as OSHA's Whistleblower Protection Program. These frameworks encourage internal reporting and provide avenues for relief and enforcement without creating redundant bureaucratic systems.

Duplication and Burdensome Expansion of PUC Authority

LD 1963 would require the PUC to establish and manage a new and potentially expansive process for receiving, evaluating, investigating, and awarding financial compensation for "informational reports." This includes new criteria for eligibility, evaluation of report "materiality," and determination of award amounts ranging from 10% to 30% of penalties or revenue adjustments levied against utilities.

This represents a significant and unnecessary expansion of the PUC's administrative and investigatory obligations, diverting focus and resources from its core regulatory responsibilities. At a time when we are asking public agencies and utilities alike to operate efficiently, this bill inserts a costly and untested incentive-based reporting model without demonstrated need. In particular, our PUC has one of the most urgent initiatives from addressing energy affordability,

improving grid reliability, and meeting our greenhouse gas requirements. This is not the time to add an additional task to this Commission.

Financial Incentivization and Risk of Frivolous Claims

The whistleblower awards proposed in this bill create a financial incentive structure that could encourage speculative or incomplete reporting. These concerns are particularly acute in complex utility and infrastructure projects where multiple parties and contractors are engaged. A worker—without full context—may misinterpret lawful or planned work as noncompliant, triggering burdensome investigations and costly penalties.

This is further complicated by the bill's provision for confidentiality and limited recourse for employers or utilities to verify or rebut anonymous claims, even when those claims could delay projects or lead to unjust penalties. As others have testified, such delays can carry significant demobilization costs and logistical consequences, especially in seasonal or emergency utility work.

Utility Contractors Are Already Subject to Oversight

Utility and construction projects are governed by strict contractual, engineering, and safety standards and undergo rigorous oversight at local, state, and federal levels. Contractors are held to performance and safety standards enforced by supervisors, inspectors, project owners, and the PUC itself. The notion that an additional statutory incentive is required to surface issues in this environment is unsupported by evidence or industry practice.

LD 1963, though well-intentioned, introduces an overlapping and unproven framework at a time when both employers and regulators are striving to operate efficiently and transparently. The core goals of the bill—protection for whistleblowers and accountability for utilities—are already addressed by existing state and federal law. Adding a bounty-style enforcement mechanism risks unnecessary confusion, increased litigation, and financial exposure for Maine's utilities and their contractors, with limited public benefit.

We respectfully urge the Committee to vote "Ought Not to Pass" on LD 1963. Thank you for your time and consideration.