

HOUSE OF REPRESENTATIVES

2 STATE HOUSE STATION AUGUSTA, MAINE 04333-0002 (207) 287-1400 TTY: MAINE RELAY 711

April 13, 2021

Testimony of Rep. Seth Berry
Before the Joint Standing Committee on Energy, Utilities and Technology
Presenting LD 1328, "An Act To Protect Maine Electricity Customers from Threats of
Disconnection in the Wintertime"

Senator Lawrence and fellow members of the Energy, Utilities and Technology Committee, my name is Seth Berry and I represent House District 55: Bowdoin, Bowdoinham, most of Richmond and beautiful Swan Island on the Kennebec. I'm pleased to present LD 1328, "An Act To Protect Maine Electricity Customers from Threats of Disconnection in the Wintertime."

LD 1328 would put an end to an unusual form of lying that is allowed under current laws and PUC rules. It would stop the persistent, empty threats of disconnection that tens of thousands of Mainers have received all this past winter, and previously.

These winter disconnection notices are a collections method – a coercive tactic that deliberately misrepresents the truth.. They threaten to disconnect low income families, struggling seniors, and others in just a few days, on a date specified in the notice, during the cold and dark of winter.

These empty threats were not being sent out in a vacuum. In fact, they were pouring salt into a wound created by poverty, a pandemic, and a PUC dismissal of thousands of CMP billing disputes.¹

Poverty is a major factor. Going without power is far easier for some of us than for others. So is keeping up with bills. According to the Public Advocate, Maine's lowest income individuals already spend \$1 in every \$4 they earn on energy. That leaves them \$15,000-\$16,000 for all other expenses. When threatened with disconnection, many need to choose between food, medicine, heat, or power.

The pandemic has made the situation more dire. Over the past year, frontline essential workers were left out of the enhanced UI benefits or PPP funding, yet stuck with new child care, elder

¹ This dismissal happened last August, during the height of the pandemic, even after the PUC found hundreds of billing errors in CMP's system, penalized the utility by at least \$10 million, and promised legislators they would investigate each individual case. This was a promise never kept.

Rep. Berry, p. 2

care, or other costs. Seniors working part time to supplement their meager social security income were suddenly unable to do so. Not all of us can work from home and enjoy a decent salary or wage.

CMP's billing and metering mess has matters even worse. Thousands of CMP customers were informed by the PUC last summer than their disputed amounts would not be further investigated. Despite hundreds of specific billing system errors that had been detected, these customers were suddenly required to cough up thousands of dollars they had been allowed to set aside.²

Today you will hear from just a few of those impacted. Please keep in mind that for each of these stories, there are thousands of others like them. Most suffer in silence, too embarrassed or too proud or too busy surviving to ask for help.

To be very clear, the PUC does not allow actual winter disconnection, but does allow *threats* of winter disconnection, including with specific dates for the power to be shut off.

According to the PUC, in winter 2019 CMP issued 109,573 winter disconnection notices, and Versant issued 66,884 notices. These notices come in the form of phone calls, letters, emails, and even knocks on the door. Not surprisingly, they are most common in the lowest-income areas, such as Washington County.

The PUC and CMP will argue today that these empty threats somehow encourage customers to get help. Others I've spoken with, from customers to CAP agencies, say empty threats hurt far more than they help. And besides: these empty threats are lies. As such, they destroy the credibility of the utility, of the PUC, and by extension, of us all. They add stress, and cause people to choose between food, medicine, or heat – because they can't have all that and still pay down their utility bill.

Due to the global pandemic and loss of income in some households, plus the crippling impact of a PUC decision to dismiss thousands of billing disputes by CMP customers, left many customers with balances over 3 and 4 thousand dollars. Bullying customers every winter with over 175,000 empty threats of winter disconnection is just not a good way to be a good neighbor, a good regulator, or a good corporate citizen.

Thank you for listening. I would be happy to answer any questions.

_

² Last spring, the PUC had told this committee they would look into each outstanding dispute individually. With this letter last August, the PUC instead summarily washed its hands of these billing disputes. The PUC chair later informed me that customers could still call to continue their dispute, but that is not what the letter stated.