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Environment and Natural Resources Committee
Government Oversight Committee

Testimony of Senator Richard A. Bennett

In Support of

LD 1708, An Act To Create the Pine Tree Power Company, a Nonprofit Utility, To Deliver Lower Rates, Reliability and Local Control for Maine Energy Independence
Committee on Energy, Utilities and Technology
May 20, 2021

Senator Lawrence, Representative Berry and members of the Committee on Energy, Utilities, and Technology. I am Senator Rick Bennett of Oxford, and I have the honoring of serving 13 towns in Oxford and Cumberland Counties in the Maine Senate. I am pleased to be lead Senate cosponsor of LD 1708, "An Act To Create the Pine Tree Power Company, a Nonprofit Utility, To Deliver Lower Rates, Reliability and Local Control for Maine Energy Independence."

Maine is largely a rural state. The people of rural Maine -- those I represent -- depend on electricity more than ever. In western Maine, our future depends on jobs and small businesses that rely on the poles and lines that bring us power and internet services too.

Electricity is essential to Maine homes and businesses, and it is becoming more important every day. In addition to running lights and appliances in homes, and machinery in factories, we are increasingly dependent on electricity for communicating, working, learning, and recreating online, as well as heating with heat pumps, charging vehicles, and more.

The reality is that we are driving toward a carbon-neutral, electricity-powered economy. And those owning and operating our electric utility monopolies in Maine have been happy collecting ratepayer checks while ignoring the future.

Right now, foreign governments and foreign corporations own Maine's major electric utility monopolies - CMP and Versant. This ownership model has been a disaster, draining money from Maine while leaving us with the most outages, the longest outages, the worst customer service, and among the highest rates in the country.

I believe Maine people deserve the right to self-determination and the Pine Tree Power company will provide just that, by serving Maine people instead of distant company shareholders in foreign lands.

Right now, foreign corporations and stockholders rake in billions of dollars from Maine, while we are left in the dark ages, with inadequate infrastructure to serve us today, never mind tomorrow.

Long ago, CMP was a company that served Maine, but not any more. Spanish energy giant Iberdrola bought CMP's parent company in 2008, and then reorganized its U.S. holdings under an investor-owned, publicly-traded company headquartered in Connecticut. All CMP profits go to those investors. Versant is wholly owned by the City of Calgary, in Alberta, Canada, sending all of its profits there.

These foreign powers do not care a whit for the people of Maine. In fact, they have sued the people of Maine to deny us the right to determine our own future. And they have repeatedly lied to us – about billing problems, about outages, about metering, about their commitment to clean energy, and now about this proposal before to today. Through their rate-payer-funded, million-dollar megaphones, we have already heard blatant falsehoods, mendacious mischaracterizations, and bold-faced lies as these foreign interests try to cling to their monopoly franchises.

They claim this proposal would create a government-run power company. Wrong. Pine Tree Power will be a consumer-owned non-profit, operated in the private sector, managed on behalf of Mainers, and accountable only to us.

They claim taxpayers will be on the hook for the new Pine Tree Power Company. Wrong. To make needed investments, Pine Tree Power will be able to float its own bonds at extremely low interest rates, and no need for profit. It will not use state bonds or state tax dollars.

They claim that politicians will run our new entity. Wrong – and laughable. A quick look at the top leadership of CMP's parent company shows where the politicians go to feather their nests with out-sized pay packages. Pine Tree Power will be operated by a professional management team, overseen by an 11-member board, including seven directors independently elected by Maine ratepayers, and four advisory members selected for their specific expertise and experience.

Maine deserves a utility that puts Maine people and local, small businesses first, not profits for huge, foreign corporations. We need a utility that serves the people, not itself. We deserve infrastructure to serve us well now, and in the coming decades, that will allow rural Maine to prosper.

That's why I support working together to create the Pine Tree Power Company, our best shot to achieve lower cost, reliable power, under local control - managed on behalf of Mainers and accountable only to us.