

## **Testimony of Joshua Broder**

### **In Opposition to 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”**

**May 20, 2021**

Senator Lawrence, Representative Berry and members of the Committee on Energy, Utilities and Technology, thank you for the opportunity to offer this testimony in opposition to LD 1708.

My name is Joshua Broder and I live in Portland, Maine. I serve as the CEO of Tilson, a Maine-based network deployment and IT professional services firm. In that capacity, I have been involved in significant grid modernization projects at both investor and community owned utilities around the country. I also work in broadband deployment, including many projects that rightly have community ownership at their core. I've seen investor and community ownership both succeed and fail in different circumstances.

I was also proud to serve as the co-chair of Maine's Economic Recovery Committee, which was tasked with helping chart a course for the state to successfully emerge from the damage caused by the pandemic.

Maine is laying the foundation for a transformational period in our state. With federal support, smart planning and steady leadership through the global COVID-19 crisis, we have an opportunity to emerge stronger, more resilient and better prepared to meet the challenges of the future.

We shouldn't gamble that strength away on a multi-billion dollar takeover of the state's electrical grid, as LD 1708 seeks to do.

I understand the frustration of those who are in favor of the takeover. They want faster action, more investment, better responsiveness and lower rates. We all do.

But a forced buyout of the state's two major transmission and distribution companies guarantees years of turmoil and distraction. From transitioning the critical work done by the utilities to an untested governmental authority to the certainty of protracted litigation, these delays will stall innovation, investment, and Maine's aggressive plan to move toward electrification of our energy system and carbon reduction.

Through an open, inclusive, and bipartisan process, Maine's Economic Recovery Committee developed a list of eight recommendations to sustain and grow Maine's economy. Of those recommendations, three are directly at risk if a governmental takeover occurs: supporting renewable energy development, attracting new people and new investments to Maine, and improving the regulatory environment that delivers consumer protections and predictability for business.

Public power was the only major issue on which the committee could not reach consensus, despite strong advocacy by some members. This is a contentious and polarizing debate that absorbed a lot of energy in our committee and could do the same thing in our larger economic recovery.

Maine has taken important steps and set aggressive goals in the fight against climate change. In the “Maine Won’t Wait” climate action plan, the state has committed to reducing greenhouse gas emissions to 45% below 1990 levels by 2030 and to 80% below those levels by 2050.

That first benchmark is just nine years away. We cannot afford to waste that time fighting over utility ownership when instead we can get to work to deliver results for Maine people-together.

I recently joined the board of directors for Versant Power – one of the two companies targeted for takeover - after carefully researching and considering the integrity and behavior of their owner, ENMAX. Since joining, I have seen their stewardship ethic shine through in our board work. We know that we have work to do to improve and we are proud of the progress we have made in just a short amount of time.

Versant is the first company to fully meet the requirements of Maine’s new public benefits law, which guarantees that utility transactions in the state are good for Mainers and not just company profits.

We are firmly committed to doing our part to support the growth of renewable energy in Maine, enabling more infrastructure for electric vehicles and engaging actively in the work to mitigate and adapt to climate change.

We are also committed to the Mainers who depend on us for electricity and to improving the service that we provide. First and foremost is our commitment to safety and reliability.

As this committee knows, the desire for lower rates must be balanced against the need to invest in infrastructure that will improve reliability and allow for the expansion of renewable energy. But those same pressures will exist regardless of ownership. They won’t go away just because politicians run the electric company instead of experienced operators. In fact, they are likely to get worse.

The next 10 years may be some of the most critical in Maine’s history as we progress toward a better energy future and a healthier climate. Based on my experience, the only chance to achieve the massive transition that the times demand is through a collaborative, balanced and thoughtful approach. LD 1708 is not that and I respectfully urge you to vote Ought Not To Pass.

Thank you and I would be happy to answer any questions.