

Mark Brown  
Marshfield

To: Maine Legislature Committee on Energy, Utilities & Technology  
From: Mark Brown, testifying for 350 Maine, EcoSattvas DownEast, and 350 Downeast  
Date: May 17, 2021

RE: In support of LD 1708: An Act to Create the Pine Tree Power Company  
Senator Mark Lawrence, Representative Seth Berry, and members of the Committee on Energy, Utilities & Technology, thank you for allowing me to comment in support of LD 1708. My name is Mark Brown, a resident of Marshfield, Washington County and my testimony is on behalf of 350 Maine, EcoSattvas DownEast, and 350 Downeast. 350 Maine is a statewide grassroots climate justice organization with over 3,000 members, EcoSattvas DownEast and 350 Downeast are environmental activist organizations in Washington County. Very briefly, we support this legislation because it will create a consumer-owned utility (COU) for Maine residents who are now being served by Central Maine Power (CMP) and Versant. The Pine Tree Power Company will carry electric power at lower cost, more reliably, and controlled locally. Also, Pine Tree Power will lead to a more rapid transition to renewable energy sources.

- Is this a novel concept? No! There are nine COU's currently in Maine. They serve all or part of 97 Maine communities. There are 2,000 COU's throughout the country serving people in 49 states. One of three citizens of the U.S. currently receive their power from COU's. They serve the entire state of Nebraska, Long Island NY, and cities from Kodiak AK, to Aspen CO, Georgetown TX, Winter Park FL, Burlington VT, and others.
  - Why is the power cheaper? A COU is a non-profit corporation owned and operated by customers. There are no stock holders or board members getting rich from high transmission rates for power. In Maine, investor-owned utilities (CMP and Versant) delivery charges are 58% higher for residential users than COU's according to Maine Public Utilities Commission (<https://maine.gov/mpuc>).
  - How is the power more reliable? Maine currently has the worst reliability in the U.S. with the most frequent outages and second longest duration of outages (U.S. Government Energy Information Agency). Being responsible to the customers and not stockholders, Pine Tree Power will be more responsive to local concerns (J.D. Power & Assoc. 2015). This greater responsibility for reliable service will lead to more local, good-paying jobs.
  - How can a local corporation be able to provide better service than a large, well-funded corporation? The Pine Tree Power Company will give us power sovereignty by ridding Maine residents from foreign power transmission corporations. If the locally elected board of directors do not respond satisfactorily to consumer needs, they will be voted out. The board would be salaried, paid by energy delivery fees not taxes, so profit margin is not an issue and taxes won't be raised. I remind you that CMP has the worst customer service ratings for any utility in the U.S. as reported in the Portland Press Herald (Oct. 14, 2019). Versant Power was rated the third worst medium-sized utility for residential customer satisfaction in the U.S. (J.D. Power & Assoc. 2020). CMP is owned by a large multi-national company headquartered in Spain and Versant is owned by the city of Calgary, so they have little direct interest in what happens in Maine, except for making money.
  - Why would there be greater access to renewable energy? A COU is responsive to what their customers most need. The first 6 locations in the U.S. to reach 100% renewable electricity are all served by COU's. Large utilities such as CMP and Versant are affiliated with fossil fuel corporations and have a financial interest in providing power generated by fossil fuels and not renewable energy. As renewable energy generation continues to become cheaper than fossil fuel energy, local and regional renewable energy sources will benefit both Pine Tree Power and their customers. The environment is also benefited by renewable energy. Reduced greenhouse gas generation is a priority for the State of Maine.
  - Is this just a takeover of private industry by the government? No! The citizens being served by the utility own the utility, not the State. The board of directors is elected by customers and are paid from transmission fees, not taxes. The Public Utilities Commission will continue to regulate the utility. Pine Tree Power will continue to pay communities the same fees as CMP and Versant currently pay.
  - What about the free-market, capitalist economy? There is no free market now in power delivery. Where I live in Washington County if I want electricity, I must use Versant. To summarize, Maine needs the Pine Tree Power Company to meet our future needs. A more dependable and reliable utility will attract more business and good paying jobs. The increased ability to incorporate renewable energy sources is critical to the ability of Maine to meet the goals set forth by the Maine Climate Council.
- Thank you for your time,

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