Joint Committee on Energy, Utilities and Technology Public Hearing: May 20, 2021 Testimony in Support of LD 1708

Dear Senator Lawrence, Representative Berry, and Members of the Committee:

Thank you for the opportunity to provide public comments 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.

My name is John Costin and I'm a resident of Kennebunk. I'm also a small business owner with a custom woodworking business located in Sanford. For many small businesses, our electricity bill is one of the larger line items in our operating budget, especially in New England. However, Maine's investor-owned utilities, Central Maine Power (CMP) and Versant, take advantage of the fact that they're the only option for most communities and prioritize shareholder profits over providing their customers with reliable, cost-effective power.

I can provide a real side-by-side cost comparison between an investor-owned utility and a consumer-owned utility. Between 2001 and 2017, I operated my woodworking business in Kennebunk with electric power supplied by Kennebunk Light and Power (one of only two consumer-owned utilities in Maine at the time). In 2017, I moved my business to Sanford and became a customer of CMP.

When we relocated, we did not change anything about our business operations, except for the location and the utility company. But after reviewing my power bills from both utilities, I realized that my total cost per kilowatt-hour (including demand and all other charges) went from \$0.13674 with Kennebunk Light and Power to \$0.32714 with CMP - CMP charged nearly twice as much per unit of energy. The problem is that this cost increase does not reflect better service.

The investor-owned utilities also fall short on reliability and customer service. Maine is constantly plagued with CMP and Versant outages, resulting in the state being ranked among the worst in the U.S. for power failures (in terms of frequency and length of outages)¹. And CMP's billing fiasco in 2019 - which involved the company double-charging over 100,000 customer accounts² - is one of many examples of sub-par customer service.

Investor-owned utilities have proven to us time and time again that their only concern is their shareholders. It is time for us to support a new consumer-owned utility which will be directly accountable to us ratepayers and can better respond to our power needs. We have seen several community-owned utilities operate in several of Maine's towns, and we have seen that they can provide our businesses and residences with the power we need at a price that doesn't break the bank for the sake of boosting shareholder profits.

¹ <u>https://www.mroelectric.com/blog/most-least-power-outages/</u>

² <u>https://www.pressherald.com/2019/01/08/regulators-decide-to-open-full-investigation-into-cmp/</u>

LD 1708 is Maine's opportunity to provide our communities with the reliable and cost-effective power that we need and deserve. I respectfully urge you to vote yes on this bill. Thank you.

Sincerely,

John Costin Kennebunk, ME John Costin Kennebunk

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Footnotes

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