

Senator Lawrence, Representative Berry, and distinguished members of the Energy, Utilities, and Technology Committee, thank you for allowing me the opportunity to speak in support of LD # _____, An Act to _____.

My name is David Wadstrup and I live in Camden, Maine. I am here today because I am very excited about what a Consumer-Owned Utility can do for the people of our state.

The shortcomings of CMP and Versant are well known and have a long history. Poor customer service¹, costly rates², and frequent and lengthy outages³ are what their customers have come to expect. CMP and Versant also fall short in their vision of the future. They stand in the way of Maine's climate goals⁴, they stand in the way of rural broadband development⁵, and there's a good chance that the poor service they currently provide will only get worse.

While excuses abound, I think the reason for these failures and for their reluctance to invest in the future, is simple. And, I also think, inevitable. Simply put, CMP and Versant are monopolistic, undemocratic, for-profit enterprises. Even with the oversight of the Public Utilities Commission, they are required by their investors to maximise profits; which means taking more out of the system than they put in. Put differently, they must charge its customers more while providing them with less. This is inherent to a system in which the financial interests of a small group of shareholders are pitted against the interests of its customers. Particularly when those customers don't have the ability to choose their provider as they would in a free market. This is not the kind of logic that should govern the provision of such an essential public utility.

The alternative is a utility that both serves and is owned by the community. The antagonism between owners and customers won't be built into the system, like it is with CMP and Versant. They'd be one and the same. COUs are not for-profit, are democratically managed, and by default, put their customer/owners first. Because COUs don't have to extract profits from the

¹ In 2020 the Maine PUC docked CMP \$10 million for poor customer service; <https://www.mainepublic.org/business-and-economy/2020-01-31/regulators-impose-10m-penalty-new-standards-on-cmp-for-poor-customer-service>

² Investor-Owned Utility delivery charges are 58% higher for residential users than Consumer-Owned Utility delivery charges in Maine for 2021; <https://ourpowermaine.org/faq/>

³ Maine ranks 1st nationally in number of outages annually and 2nd nationally in duration of outages over a 5 year period, 2015-19; <https://bangordailynews.com/2021/03/29/business/what-maine-is-doing-to-tamp-down-the-worst-power-outages-in-the-nation/>

⁴ CMP significantly raised earlier cost estimates for grid updates needed to accommodate the recent surge in mid-sized community solar projects planned in Maine. They eventually "revised their approach" in calculating these costs but only after an uproar by solar developers. Good news, but why are we wasting time and resources on policing what seem to be devious attempts by CMP to maximize its profits? Especially when it comes to building the infrastructure a green future will require; <https://www.mainepublic.org/business-and-economy/2021-04-06/energy-regulators-to-investigate-whether-cmp-treated-solar-developers-fairly>

⁵ High pole access fees deter and delay Internet providers. Additionally, when power goes down, so does the internet; https://ourpowermaine.org/wp-content/uploads/2021/02/OurPower-Overview.pdf?link_id=3&can_id=5d180b2b1ecd99b4c5acb48af0b075ef&source=email-a-brighter-future-for-mainers-2&email_referrer=email_1163098&email_subject=recap-april-30th-power-lunch

system, they are able to offer lower rates⁶ and are able to more effectively upgrade the infrastructure that will make it more robust and more reliable⁷. We need better reliability and more robust grid, and a more cost effective system to better provide for our growing electricity needs⁸ and to support the development of a faster, more equitable broadband network. Because COUs are democratically managed and not driven by short term gain, and because they'll benefit from less costly financing, they are inherently better positioned to look towards the future. Achieving the ambitious climate goals Maine has set for itself will be faster and more just, and will cost Mainers less.

As far as I can tell, there simply is no reason to NOT jump at this chance to say yes to a Consumer-Owned Utility. So, I support LD _____ because it would replace CMP and Versant, which are unreliable and expensive, and, frankly, parasitic, with a COU that is local, democratic, reliable, and low cost. All without raising taxes, or costing Mainers their jobs. What citizen could say no to this?

⁶ https://www.maine.gov/mpuc/electricity/delivery_rates.shtml

⁷ COUs have access to lower cost, tax exempt financing and generally have stronger credit ratings than IOUs allowing them to spend less on infrastructure improvements;
<https://www.publicpower.org/system/files/documents/The%20Future%20of%20Your%20Utility%20Sellout%20Guide%20-%20Final%204-5-18.pdf>

⁸<https://www.sierraclub.org/sites/www.sierraclub.org/files/sce/maine-chapter/Zero%20Carbon%20Maine-Silkman.pdf>