



SOLAR ENERGY ASSOCIATION OF MAINE

Testimony in Support of L.D. 697

An Act to Enhance the Energy Security of Maine Residents

Steven L. Weems, Executive Director

Solar Energy Association of Maine

To the Joint Standing Committee on Energy, Utilities, and Technology

March 8, 2022

Senator Lawrence, Representative Berry, and other members of the Joint Standing Committee on Energy, Utilities, and Technology: my name is Steve Weems, Executive Director of the Solar Energy Association of Maine. The Association supports greater scrutiny and the use of higher standards in the evaluation of potential changes of ownership or control of larger electric transmission and distribution utilities, as a general matter. LD 697 addresses this need, so we support it. Beyond this, its special focus on ownership or control by a foreign government or a foreign corporation or its subsidiaries, seems especially important in a world of increasing strife, energy supply uncertainty, and other results of international turmoil. It clearly is a time to be looking ahead at potential issues, and being proactive to protect the well-being of Maine people. All these factors compel the Association to support LD 697.

Lower utility rates are better than higher rates [Section C. (1)]. Greater local control of a utility's management and operations is better than a loss of local control, and it clearly is desirable to protect the interest of utility ratepayers by requiring local utility management to pay more attention to the needs of its customers, including compliance with State legislative climate change mitigation mandates [Section C. (2)]. And avoiding the risks enumerated in Section C. (3) clearly is in the best interests of Maine people. We agree with the underlying principle that a change of ownership or control of a utility should improve the situation, not just maintain the status quo of avoid worsening it. The status quo, especially as it relates to Maine's two investor-owned electric utilities (IOUs) is abysmal. These aspects of LD 697 are important improvements over the current law and limitations of regulatory oversight process.

The Association acknowledges the definition of a “foreign corporation” or its subsidiaries needs further specificity, and we think the Maine Public Utilities Commission (PUC) will have difficulty with the conditional, subjective nature of the language of Section C. (3). We urge the EUT Committee to work on these problematic aspects of the language without diluting the intent of LD 697.

Overall, the Association hopes the Committee will stay true to the idea of establishing enforceable standards requiring improvement when a change in utility ownership or control is contemplated, and pay special attention to the dangers of foreign ownership of these entities that provide essential public services. Public utilities, with monopoly franchises to provide public services we cannot do without, really should be under local, customer control. This is the clearest, most secure way to provide true customer accountability.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Steven L. Weems", written in a cursive style.

Steven L. Weems