



Testimony in Opposition to LD 1026
An Act To Update the Regulation of Public Utility Monopolies
March 16, 2022

Senator Lawrence, Representative Berry, and members of the Committee, my name is James Cote and I am here today on behalf of Versant Power to testify in opposition to the sponsor's proposed amendment for LD 1026, and specifically, sections 1 through 8 of the bill.

Versant Power believes the Public Utilities Commission has the responsibility, experience and wherewithall to make decisions about the ways complex matters may impact Maine's people, businesses and our state policy goals. Those decisions must be based upon a careful weighing of potential costs and benefits, taking into account relevant rule and law, as well as the totality of the circumstances in each case.

Regarding Sections 1 through 8 of the sponsor's amendment, we are concerned that the proposed language would strip the Public Utilities Commission of any discretion in the event it is asked to approve the creation of a municipal power district.

The Commission is currently charged with evaluating whether such a reorganization appropriately benefits the customers of a new utility against the potential negative impacts on customers of the existing utility. Both sets of customers deserve the benefit of the judgement and expertise of the Commission and its staff when weighing such a significant change. Versant Power believes that the current policy proposal requires more consideration and process than can be reasonably expected at this point in time, especially given that this language was only first released publically yesterday afternoon.

Regarding Sections 9 and 10 of the bill, we are concerned about the proposed timeframes by which the utilities are directed to make changes to their billing systems. As an example, current NEB billing functionality required approximately nine months to develop, test, and implement for Versant Power's systems. Some portions of the implementation took longer. Versant Power is currently hard at work implementing a number significant initiatives – including some required by recent policy decisions – and we request that, should this legislation move forward, the Committee consider allowing for additional time to ensure these changes are made in a manner that is cost effective and accurate for customers.

We would also echo, as noted by the Office of the Public Advocate, significant concerns about about the date of September 1, 2022 as listed in Sec. 9 (5). This deadline poses the real potential of unintended consequences, and could burden customers with additional cost increases.



In light of these concerns, we ask the committee to vote ought not to pass on LD 1026, and in particular, Sections 1 – 8 of the sponsor’s amendment. Significant policy decisions such as these warrant sufficient consideration and debate given the major impacts they have on Maine people, businesses, and our state.

Thank you for your consideration and I would be glad to answer questions now or provide more information at the work session.