

March 29th, 2023

Senator Mark Lawrence, Senate Chair
Representative Paige Zeigler, House Chair
Joint Standing Committee on Energy, Utilities, and Technology
100 State House Station
Augusta, Maine 04333

RE: MSCC Testimony in OPPOSITION to L.D. 1111: An Act Concerning Contracts and Agreement for Large-scale Water Extraction

Senator Lawrence, Representative Zeigler, and members of the Energy, Utilities, and Technology Committee:

My name is Ben Lucas, I live in Portland, and I represent the Maine State Chamber of Commerce, a statewide business organization consisting of a network of more than 5,000 small and large employers across Maine. The Maine State Chamber of Commerce is submitting testimony in opposition to L.D. 1111. Unfortunately, due to a scheduling conflict, I am unable to deliver my testimony live in person, but we felt it was important to go on record and will be sure to be present for the work session.

If passed, this legislation is intended to limit consumer-owned water utilities' ability to enter into contracts. It would limit the ability of a consumer-owned water utility from entering into a contract for large-scale water withdrawal to a term longer than three years. It would also require a vote of the legislative body of each municipality and township "within the watershed" to approve the contract. We have serious concerns over this as it creates some uncertainty about what type of vote it would be and who would be involved. Additionally, it creates less predictability for the companies who may enter contracts for longer than 3 years.

We believe L.D. 1111 is unnecessary and we have the confidence in our local water utilities to do the right thing and we believe they are trusted stewards of our water resources in Maine and in their local communities. We believe water utilities are fully capable of making decisions related to the management and protection of their water resources, including entering into contracts for large-scale water withdrawal. We already have state laws that provide public notice and an opportunity for public input for these contracts. In addition, these contracts must be approved by the Maine Public Utilities Commission to be sure they don't harm ratepayers or affect the ability of the water district to perform its duties.

To be clear, we believe the current arrangements have benefits for the ratepayers. Limiting the term of the contract to three years eliminates much of the certainty that is beneficial to ratepayers. The short-term contracts would also make it challenging for companies to plan operations and ultimately invest in such a short-term arrangement. It is critical that when debating public policy, we enact laws and create policy that make Maine a

better state for investment and allow our companies who currently operate here to have invest in new infrastructure which is critical for their future success in Maine.

We would respectfully ask the committee to vote, “ought not to pass” on L.D. 1111. Thank you.

Sincerely,
Benjamin R. Lucas
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Maine State Chamber of Commerce
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