

Testimony of Rene Augustus La Casse in support of
LD 2172: An Act to Enhance Electric Utility Performance-based Ratemaking

Senator Lawrence, Representative Zeigler, and honorable members of the Energy, Utilities, and Technology Committee. I am Gus La Casse and I am the Policy Coordinator at A Climate to Thrive. We are a community-driven non-profit that is working on a clean energy transition that prioritizes community benefits across Mount Desert Island and the state. Thank you for providing me with this opportunity to support **LD 2172: An Act to Enhance Electric Utility Performance-based Ratemaking**.

The objectives of the investor-owned electric utility are two-fold: maintain electricity for consumers, and to be financially profitable for stakeholders. This binary does not entertain quality of service or the desires of the consumers who rely on the utility. Performance-based ratemaking has proven successful in other states and has been implemented for simple reasons; namely, to make rates that work toward improving the quality of service provided by a utility. Such a mechanism changes the paradigm between the utility and its customers by creating motives for utilities to prioritize the quality of service it provides.

Investor-owned utilities are responsible for providing power to 97% of Maine residents, but face constant scrutiny for poor quality of service, outdated infrastructure, and disincentivizing interconnection and the renewable energy that Maine needs to achieve our climate goals. By employing performance-based ratemaking as proposed by the amendment, the needs of consumers are put first through forward-thinking goals. As an organization that serves coastal rural communities with weak grid infrastructure, the attention to power outage response times and upgrading current infrastructure with more resilient infrastructure is integral to ensuring that customers are served.

Finally, this bill provides an opportunity to ensure that Maine's climate goals are met in tandem with creating a more stable grid. This legislature supported the Maine Climate Council's robust goals to decrease greenhouse gas emissions in the State by 80% and to reach carbon neutrality by 2045. Performance-based ratemaking can be employed as a method to help Maine realize these goals, create a forum which incentivizes the adoption of distributed generation resources, and ensure that innovations to Maine's grid are put forth to benefit Maine ratepayers before stakeholders. For these reasons, I urge this committee to support the passage of **LD 2172: An Act to Enhance Electric Utility Performance-based Ratemaking**.