



## An Act to Create The Pine Tree Power Company



# TESTIMONY TOOLKIT

### What You'll Find Inside

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**Our Power's vision is that Maine will be the first state to reach 100% clean energy, both equitably and affordably, from all local sources, and the first rural state to deliver universal and affordable broadband.**

# An Overview



## Introduction

Our Power is a coalition of Maine ratepayers, business leaders, energy experts, conservationists, and others committed to putting the Pine Tree State's energy future in the hands of Mainers. Shifting away from our failed investor-owned utilities—Central Maine Power (CMP) and Versant Power—to a consumer-owned utility (COU), the Pine Tree Power Company, will increase the reliability of our state's electricity, decrease our rates, and bring control back to Maine.

Our bill will establish The Pine Tree Power Company: a nonprofit, independent, privately-operated company that will replace foreign government-owned CMP and Versant. This will cost no taxpayer or state bond dollars, and leaves the final decision up to Maine voters, who will get the chance to vote on it.

This toolkit has been developed to provide you, supporters of a COU in Maine, the resources you need to drive this issue forward in the legislature and build support for our bill: An Act to Create the Pine Tree Power Company.

Our bill will have a public hearing before the Joint Committee on Energy, Utilities, and Technology very soon. While we don't have an L.D. number or an official public hearing date, we'll let you know when we do! Public hearings are a crucial time to voice your support for legislation that you believe in. **Join us to take control of our energy future!**



## Background

Reforming our utility sector can seem complicated at first, so before you participate in the legislative process, first take a look at some of our background materials to get familiar with our mission, the current problems with our electric utility, and why the Pine Tree Power Company is the right way forward!

## Key Resources

The [Our Power Overview](#) lays out our initiative in two pages!

The Pine Tree Power Company is also our best way forward on renewable energy. Read our [First to 100 Document](#) to learn how consumer ownership can drive Maine's transition to renewable power!

## Testifying in the Legislature

Every bill presented to the legislature in Augusta receives a public hearing in its relevant committee. These hearings are an opportunity for citizens, policy experts, industry leaders, and decision-makers to voice their support or opposition to bills. Individuals may write and/or speak for themselves or on behalf of an organization.

For those individuals with important contextual information to offer a committee before they make a decision, but who do not wish to speak in support, nor in opposition, they have the option to testify "neither for nor against."

You are able to provide written and/or verbal testimony. See the chart below to determine which works best for you!



## Written and Verbal Testimony

### Written Testimony:

- Has no length limit (although written submissions above a reasonable length are unlikely to be read by committee members).
- Can include PDF or word versions of graphics, photos, petition signers, and/or other supplementary materials relevant to your testimony.
- Should begin as follows: “Senator Lawrence, Representative Berry, and members of the Joint Committee on Energy, Utilities, and Technology: My name is \_\_\_\_, I reside in \_\_\_\_, Maine, and I am here to testify in support of An Act to Create the Pine Tree Power Company.
- Can be submitted without verbal testimony. While we strongly encourage you to come to the public hearing and speak briefly to committee members, you do not have to speak to submit written testimony.

### Verbal Testimony:

- Is limited to 3 minutes.
- Cannot include supplementary materials, displays, presentations, etc... Only you speaking directly to members of the committee.
- Can be given without submitting written testimony.
- If you’re speaking to committee members, speak clearly and passionately. Committee members are excited to hear from you and your voice matters!



## Whether you are providing written or verbal testimony, a few things to remember:

- Introduce yourself to ground your perspective on the COU.
- Tell a story! A personal connection to the bill goes a long way.
- Emphasize the details of the bill that matter to you. Choose from the talking points below to show the Committee that you're invested in the issue and knowledgeable about the bill.
- Remind the committee that COUs are a tried-and-true model in Maine and beyond!
- Lastly, reiterate your key points, ask again for the Committee's support, and thank the members for their work.

During the COVID-19 pandemic, the legislature has moved all committee hearings online via Zoom webinar. They are also live-streamed on the Legislature's [YouTube channel](#). Instead of trekking to Augusta, you are now able to testify from home, a change that has made participating in this crucial process more accessible to many Mainers.

### Sign Up To Testify

**[Click here](#) to sign up. You can sign up to speak up to 30 minutes before the public hearing is scheduled to start, but planning ahead will help you be even more effective.**

**Please Let Our Power know that you plan to testify and [email](#) your testimony to us when it's ready.**

**Make your support public by sharing highlights from your testimony on social media.**

**Tag [@ourpowermaine](#) and we'll be sure to share it too!**

# Our Power Talking Points

## Reliability

- Maine's investor-owned utilities (Central Maine Power (CMP) and Versant Power) are unreliable. From 2015 to 2019, Maine has had the most frequent outages in the nation, as well as the second longest outages.<sup>1</sup>

CMP has been rated worst in the nation by its customers among all 142 large and mid-size utilities in the nation, by far, for three years in a row. Versant is third worst.<sup>2</sup> Almost anything is an improvement!<sup>3</sup>

- Low reliability and customer service is not because of Maine's weather nor its geography; Maine performs far worse than other, similar states, such as New Hampshire, Vermont, or Minnesota, because our utility companies themselves have been failing us.
- The unreliability of CMP and Versant is the result of poor design and maintenance decisions over time. It is also the predictable consequence of inadequate investment in necessary – but less profitable – aspects of the utility, such as routine line maintenance and construction.
- Consumer-owned utilities in Maine have far fewer and shorter outages than CMP and Versant. Ask anyone who lives in one!



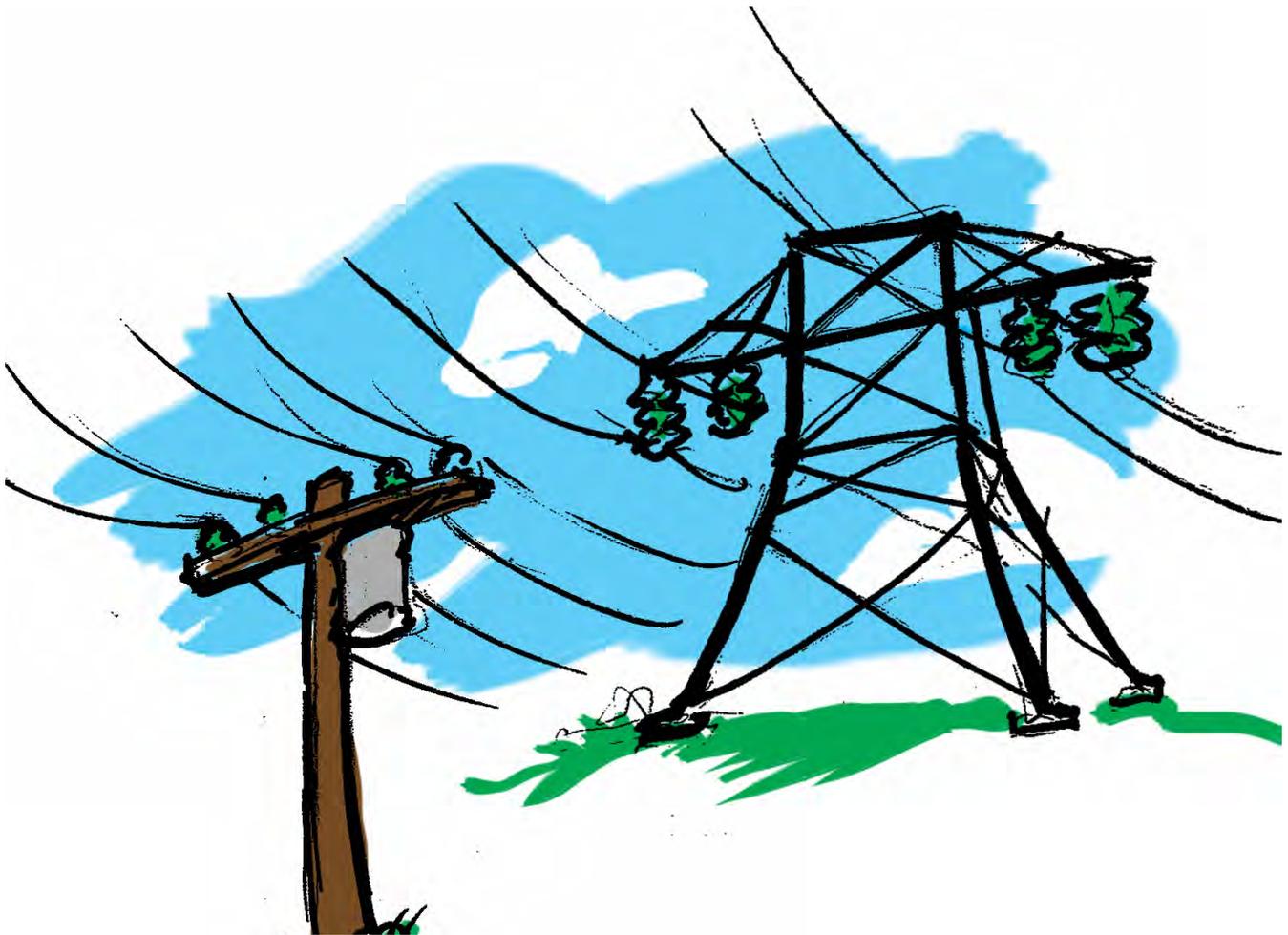
## Cost

- The Pine Tree Power Company will save us \$9 billion over its first 30 years, with net savings starting on year one.<sup>4</sup>
- It will NOT cost tax dollars or use state bonds!
- In 2019, the most recent data available from the Energy Information Administration, Maine ranked 10th highest in the nation for electricity prices.<sup>5</sup>
- Maine's for-profit, investor-owned utilities charge residential customers on average 58% more than Maine's nine consumer-owned utilities, per kWh, for delivery.<sup>6</sup>
- Poor reliability costs Mainers money! Investor-owned utilities finance grid improvements and repairs by raising customers' rates.
- In April 2021, CMP requested a rate increase amounting to approximately \$3/mo for an average bill to pay for 2020 storm damage.
- Versant is currently requesting a 25.4% rate hike, spread out over three years.
- Pine Tree Power Company will finance its own grid improvements and will not tie investment to customer rates.
- Investor-owned utilities are legally guaranteed high rates of return for their shareholders for these investments. Consumer ownership will change that financing model. Pine Tree Power Company will seek low-interest capital (less than 3% interest compared to 8-10% for investor-owned utilities) to invest in our energy future, and without being accountable to profit-seeking shareholders, saving Mainers billions of dollars in the process.



## Local Control

- Our current utility companies are foreign-owned: CMP is owned by Spanish energy conglomerate Iberdrola and Versant is entirely owned by the City of Calgary in Canada, and they are both accountable only to overseas shareholders to return a profit.
- We don't entrust other essential services (schools, roads, etc.) with foreign profiteers, why should we do so with electricity?
- The Pine Tree Power Company will be a not-for-profit company, bound to reinvest revenue back into our grid and rectify historic underinvestment.
- The Pine Tree Power Company will be run by a seven-member, elected board of directors who will represent Maine's diverse geography. To add to their expertise, these members will choose four expert advisory members.
- All board meetings will be public, providing unprecedented transparency and access for all Mainers into the decision-making that will guide our energy future.
- Local ownership shifts control of our power back to Mainers.





# COUs Work!

## For Climate

- Electricity is everything. We need to electrify everything, from buildings to vehicles to factories.<sup>7</sup> We will be 100% dependent on a monopoly grid, owned by foreign for-profits. Would we allow this if it were our schools or our hospitals or our roads? Of course not.
- Where CMP and Versant have actively worked to inhibit progress to a renewable energy future, the Pine Tree Power Company will accelerate Maine's use of clean and green energy.
- All six US communities to have reached 100% renewables already are powered by consumer-owned utilities.<sup>8</sup>
- The leading large utility in the race to 100% renewable energy is also a COU. Sacramento's COU (SMUD) expects to be there by 2030, two decades before Maine.<sup>9</sup>
- Electric vehicles, heat pumps, and other electricity-powered replacements for fossil fuel powered aspects of our lives will require that Maine builds out our electric infrastructure to meet increasing demands for electricity. This will take serious investment.
- With access to low-interest capital (2-3% vs 8-10% for investor-owned utilities), Pine Tree Power Company could invest in our energy future without being accountable to profit-seeking shareholders, saving Mainers billions of dollars while building the grid we need to power a renewable energy future.



## In Maine

- Consumer ownership is a tried-and-true alternative in Maine.
- Consumer-owned utilities already serve 97 of 488 Maine towns, from Calais to Kennebunk, who pay lower rates overall, and enjoy both local control and fewer outages.

## In the U.S.

- Consumer ownership is popular nationwide as well!
- COUs currently serve 1 in 3 Americans nationwide, from Downeast Maine to Nebraska, Florida, and California.
- COU customers are highly satisfied. Of the 13 top-rated utilities in the nation, 12 are COUs. (CMP and Versant are ranked worst and 3rd worst respectively, out of 142).<sup>10</sup>
- COUs consistently provide far more reliable service and enjoy higher customer service rankings than investor-owned utilities.
- Nationwide, in 2019, investor-owned utility customers were out of power an average of five hours (including outages due to severe weather events), while COU customers were out of power for only two hours.<sup>11</sup>

## For Workers

- Utility workers currently at CMP and Versant will retain their pensions, benefits, and seniority, receive 10% transition bonuses, and have greater job security and working conditions.
- New jobs will be added to improve service, reliability and emergency response.

## For Communities

- Pine Tree Power Company will match what CMP or Versant pays your town. And Maine's existing COUs can choose to join, or not.
- Lower utility rates will greatly ease the burden on Maine residents and businesses, allowing communities to build wealth, increase consumer spending, and invest in local businesses.

## For Broadband

- Pine Tree Power will cut pole access costs and delays for Internet providers. As pole attachment costs are a huge barrier to broadband expansion, a COU with the interests of Mainers core to its mission will prioritize making this key service accessible to all.



## Yes, It's Been Done Before

- [Winter Park](#), Florida converted from an investor-owned to a consumer-owned utility. They repaid their acquisition cost in ten years and dramatically increased reliability, even with bigger storm events in Florida.
- An act of the New York Legislature created the [Long Island Power Authority](#). When the Authority took over the Long Island Lighting Company (LILCO)'s systems in 1998, rates for customer-owners dropped by 20 percent. LILCO had charged the highest rates in the nation – but today, rates remain lower than those of neighboring investor-owned utility, Con Edison.
- Jefferson County, WA converted in 2008, and has seen reduced rates, fewer outages, and more jobs in renewables.
- Opponents will say “It’s risky...the sky will fall!” But they will not give a single example since 1950 where a utility has been converted and it was not a success.

### For more information

For more information, including our two-page bill overview, FAQs page and more, visit [www.ourpowermaine.org](http://www.ourpowermaine.org).

## Footnotes

1. <https://www.mroelectric.com/blog/most-least-power-outages/>
2. <http://bit.ly/JDpwr2020>
3. <https://www.jdpower.com/business/press-releases/2020-electric-utility-business-customer-satisfaction-study>
4. <https://drive.google.com/file/d/1z4tGuzyIxzOAdtJVwsa9OTU5-VodWkQn/view?usp=sharing>
5. [https://www.maine.gov/mpuc/electricity/delivery\\_rates.shtml](https://www.maine.gov/mpuc/electricity/delivery_rates.shtml)
6. [https://www.maine.gov/mpuc/electricity/delivery\\_rates.shtml](https://www.maine.gov/mpuc/electricity/delivery_rates.shtml) (average per kWh delivered of 9.5 vs. 6.0 cents)
7. Transportation, buildings and industrial processes using fossil fuels are 93% of Maine’s overall GHGs.
8. <https://www.sierraclub.org/ready-for-100> (Kodiak AK, Greensburg KS, Burlington VT, Aspen CO, Georgetown TX, Rock Port MO)
9. <https://www.utilitydive.com/news/smud-aims-for-carbon-neutrality-by-2030-in-new-climate-emergency-declaration/581883>
10. <http://bit.ly/JDpwr2020>
11. <https://www.eia.gov/electricity/data/eia861/>