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**Testimony in Support of
LD 241, “An Act to Authorize the Public Utilities Commission to Approve
Rate Adjustments for Low-income Water Utility Ratepayers”**

Senator Lawrence, Representative Sachs, and distinguished members of the Joint Standing Committee on Energy, Utilities and Technology,

My name is Heather Sanborn, here today as Public Advocate, to testify in **strong support of LD 241**, “An Act to Authorize the Public Utilities Commission to Approve Rate Adjustments for Low-income Water Utility Ratepayers,” as modified by the amendment that was circulated to the interested parties last week and is attached here. The OPA would like to thank Senator Lawrence for sponsoring this bill.

Water is the only essential service for which there is no state or federal assistance program in Maine. The need for such a program is acute. A recent report, which we have provided to the Committee, estimates that approximately 53,000 of Maine households, or 17% of all residential accounts, spend more than 2% of their household income on water – the generally accepted national threshold for water affordability.¹ These results are consistent with the recently released “EPA Water Affordability Needs Assessment: Report to Congress – December 2024,” which found that in all counties in Maine between 10% and 20% of households had unaffordable water bills.²

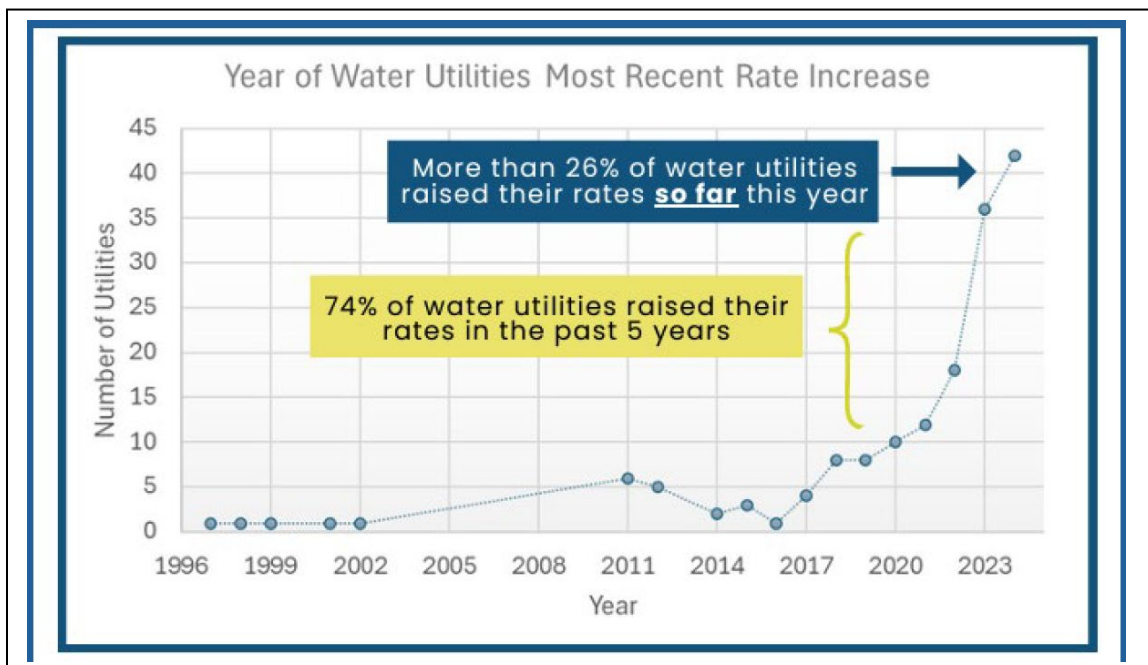
LD 241 would authorize the PUC to approve a low-income assistance program, allowing a qualifying, low-income residential water customer to receive a discount or credit on their water utility bill. This authorization for assistance programs for low-income water customers would join what is already in place for electric, gas, and telecommunication

¹ “State of Maine: An Overview of Statewide Water Affordability – December 13, 2024,” prepared by Raftelis Financial Consultants. Raftelis has performed research and supported the development of consumer assistance programs for water customers in several locations in the United States.

² “EPA Water Affordability Needs Assessment: Report to Congress – December 2024” at 37, <https://www.epa.gov/system/files/documents/2024-12/water-affordability-needs-assessment.pdf> (last accessed Jan. 23, 2025).

customers (Title 35-A M.R.S. § 3214 and § 4706-B). However, LD 241 would not compel any water utility to offer a low-income assistance program. The bill as amended would not give the PUC the authority to require a water utility to adopt a low-income program, nor would it obligate PUC to approve a water low-income program petition. LD 241 takes a first important step forward in simply authorizing the PUC to approve these programs when they are proposed if they are determined to be cost-effective.

The graph³ below further supports the mounting need for ratepayer assistance.



In this graph, the PUC highlighted the success of utilities coming in to update rates under 6104-A (2009) and 6104-B (2023) expedited rate cases. While this has helped keep these utilities solvent and able to make needed investments, individual ratepayers are feeling the impact – three quarters of water utilities in Maine have raised their rates in the past 5 years!

This bill and the amendment presented here today are the result of work of the Maine Water Ratepayer Assistance Project (WRAP) Committee, an informal working group of

³ PUC presentation at “Rate Setting for Capital Improvements” Seminar hosted by RCAP Solutions Maine on December 5, 2024 in Biddeford, Maine, slide deck page 130.

water utility representatives and representatives of the OPA and the PUC. Over the last 18 months, this group has reviewed and considered the need for a program to help low-income households struggling to afford their water utility bills and determined that the PUC should be granted the explicit legislative authority to approve such programs when they are proposed.

We note that the Portland Water District has had a low-income water program in place since 2007, and hope that if this bill is passed, other water utilities will step forward to address this serious and growing problem.

Thank you for your time, attention, and consideration of this testimony. The Office of the Public Advocate looks forward to working with the Committee on LD 241 and will be available for the work session to assist the Committee in its consideration of this bill.

Respectfully submitted,

Heather Sanborn
Public Advocate