

William S. Harwood PUBLIC ADVOCATE

## **Testimony Neither For Nor Against** LD 1894, "An Act To Support Municipal Broadband Infrastructure through Incentives and Competition"

February 3, 2022

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

My name is William Harwood and I am the Public Advocate for the State of Maine. I am here today to testify neither for nor against LD 1894, "An Act To Support Municipal Broadband Infrastructure through Incentives and Competition."

The OPA has reviewed the Sponsor's amendment that was distributed earlier this week and will be commenting on that language. The Office had concerns with the investor owned utilities being included in the original printed bill.

The reason for testifying neither for nor against is concern about Maine utilities venturing into unregulated businesses. In general, we expect Maine utilities to focus exclusively on serving their ratepayers and not becoming distracted by entering into competitive unregulated businesses. This Committee and the Legislature addressed this issue many years ago when Bangor Hydro entered the home security alarm business. In response to many complaints, the Legislature enacted 35-A MRSA 713 and the PUC adopted Chapter 820 of its Rules. In both cases, the statute and rule addressed the risk that the utility might use its name recognition, financial strength and/or size to engage in unfair competition to the detriment of unregulated entities being forced to compete against the utility.

To address this concern, I urge the Committee to further amend the bill to explicitly authorize the PUC to oversee any utility entering the broadband business. Specifically, the authorization should direct the PUC to address the risk of the utility engaging in anticompetitive behavior, such as providing favorable pole attachment terms to its broadband



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business, to the detriment of Maine businesses that do not enjoy the advantages of being a utility.

The OPA is supportive of the expansion of broadband in Maine but the role of the Office regarding this proposed legislation is to ensure that regulated utilities are acting in the public interest.

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 1894 and will be available for the work session to assist the Committee in its consideration of this bill.

Respectfully submitted,

William S. Harwood

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