

A Governor's Agenda for Energy Affordability and Utility Accountability in Maine

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Executive Summary

Maine ratepayers are facing some of the steepest electricity price increases in the country, driven by rising fuel costs, aging infrastructure, and a regulatory model that rewards utility spending over cost containment. Bills have risen 52 percent since 2021, and roughly 12 to 14 percent of every Maine ratepayer's monthly bill flows directly to shareholder profits. These pressures are compounding, and they will not resolve on their own.

Maine's next governor will inherit this affordability challenge and a real opportunity to solve it, through immediate and sustained leadership that addresses the acute and structural drivers of Maine's skyrocketing rates. The good news is that the tools to address these pressures already exist, largely without waiting on new statutory authority. Maine's own Public Utilities Commission and Legislature have already shown they are willing to act boldly to curb rate increases and impose accountability on Maine's investor-owned utilities — from the 2025 dismissal of a major Central Maine Power (CMP) rate request to the 2026 regional transmission organization law.

This primer lays out a menu of options for Maine's next governor and transition team to sustain and accelerate that progress, organized around six areas of action:

#1: Setting the tone early with Day One actions the governor's office can champion immediately to begin curbing rate increases and lay the groundwork for structural reforms.

#2: Holding the Commission accountable to implementing key reforms and to the public through stronger transparency, conflict-of-interest, and communication practices.

#3: Equipping the Commission and the Office of the Public Advocate with the resources, staffing, and operating flexibility to fully wield their existing authority.

#4: Strengthening legislative oversight of the Commission and the utilities it regulates, through tools that are durable across legislative sessions.

#5: Empowering the public and intervenors to participate meaningfully in proceedings that determine their own rates.

#6: Realigning utility incentives so that profit and executive pay are earned through service to ratepayers, not granted as a matter of course.

Some of these reforms sit squarely within the governor's own authority; others will require sustained partnership with the Legislature. None of them require the next governor to act on everything at once. What they share is a common bet: that

consistent attention and structural improvements to how Maine regulates its utilities, rather than reacting to the next rate case or the next storm, is what actually lowers bills and builds lasting public trust in the institutions responsible for doing so.

FROM DAY ONE

TACKLE ACUTE DRIVERS OF HIGH RATES



Champion Key Affordability Fixes

- » Reform standard **supply procurement**
- » Provide **regional leadership** on generation costs
- » Pass a **transmission cost accountability** package
- » Consider **public financing** for transmission
- » Strengthen **distribution planning requirements**
- » Reform **storm cost recovery**
- » Reform **Non-Wires Review Process**
- » Consider enhancements to **Efficiency Maine Trust**
- » Be intentional about **legislative engagement**
- » Consider issuing **executive orders**, where appropriate
- » Communicate intentionally with the **public and media**

PRIMARY VENUES FOR IMPLEMENTING REFORMS:
Day One Agenda, Executive Order, Intervention in Key Dockets, Regional Leadership

ACROSS TERM

STRENGTHEN INSTITUTIONS AND PUBLIC PARTICIPATION TO SUSTAIN PROGRESS



Hold the PUC Accountable

- » Build **accountability relationship** with PUC
- » Encourage engagement with the **public interest** community
- » Address uncertainties with **regulators' role**
- » Close Maine's **revolving door gap**



Equip the PUC and OPA to Lead

- » Protect Commissioners' **ability to act**
- » Allow Commissioners to **deliberate**
- » Give commissioners **dedicated advisors**
- » Build a robust **talent pipeline**
- » **Resource** the PUC and OPA adequately
- » Consider a **regulatory sandbox** for grid innovation



Support Legislative Oversight

- » Require the PUC to **report annually** on costs and rates
- » Equip the legislature to **vet PUC nominees**
- » Regularly **train lawmakers** on PUC fundamentals
- » Bolster the utility-sector **whistleblower program**
- » Revamp **franchise revocation statute**
- » Strengthen the ban on **political spending recovery** in rates
- » Give existing **statutory mandates** teeth



Empower the Public to Participate

- » Improve intervenor and participant **funding**
- » Promote **information symmetry** and **discovery parity**
- » Create an **energy clinic** at Maine Law
- » Expand **public hearings** and meetings to new regions
- » Invest in **public outreach, translation and training**
- » Lower procedural barriers to **PUC participation**
- » Rebuild the **PUC website** and docket system



Realign Incentives with the Public Interest

- » Reform utility **return on equity**
- » Strengthen **oversight** of utility affiliate transactions
- » Tie executive compensation to **affordability outcomes**
- » Be intentional in redesign of **multi-year rate plans**

PRIMARY VENUES FOR IMPLEMENTING REFORMS:
Relationship management between Governor's Office and PUC, prioritization within existing PUC authority, budget process, legislation

The Case for Action

Mainers are being hit with some of the steepest electric rate increases in the country. Maine's average retail price rose from 12.7 cents per kilowatt-hour (¢/kWh) to 19.6¢/kWh over the last decade, a 55 percent increase against a 24 percent national average increase.¹ From 2019 to 2025, Maine's system average rates increased by 5.4¢/kWh, the second-highest increase of any state in the country, behind only California.² Several factors are driving up rates: rising natural gas prices have increased wholesale electricity costs; aging infrastructure and reliability needs have required significant transmission investments across New England; and storm recovery costs added approximately 2.5¢/kWh to distribution rates in 2025 alone.³ At the same time, Maine's electricity sales fell 5.9 percent from 2019 to 2025, the single largest decline of any state.⁴ This declining load has magnified the impact of this spending on rates by spreading the same fixed and capital costs over a shrinking base of electricity sales.

The result shows directly on Mainers' bills. From August 2021 to August 2026, bills increased by 52 percent on average.⁵ Prior to July 2026, storm costs added \$20 per month to the average residential bill for CMP customers.⁶ Beyond their strain on household budgets, rising rates also undercut Maine's economic and electrification goals: a state cannot electrify heating and transportation, or attract and retain employers, if the underlying cost of electricity keeps climbing faster than incomes.

These rate increases are compounded by an outdated regulatory model that incentivizes the state's regulated investor-owned utilities (IOUs) like Central Maine Power (CMP) and Versant Power (Versant) to spend excessively on infrastructure (to increase their profits), rather than rewarding them for controlling costs. Approximately 12 to 14 percent of Maine ratepayers' monthly bills already goes toward shareholder profits, bolstered by a generous authorized return on equity

¹ Tux Turkel, "Maine's electricity prices grew at the third fastest rate in the U.S.," The Maine Monitor (Apr. 26, 2025), <https://themaine-monitor.org/electricity-prices-third-fastest-rate/>.

² Lawrence Berkeley National Laboratory, "DEPTH Tool: Drivers of Electricity Pricing Trends & History," Energy Markets & Planning at Berkeley Lab (2026), <https://emp.lbl.gov/depth-tool-drivers-electricity-pricing-trends-history>.

³ Ryan Wiser et al., "Utility-Scale Retail Price Trends, 2026 Edition," Lawrence Berkeley National Laboratory (Mar. 2026), slides 23-25, https://eta-publications.lbl.gov/sites/default/files/2026-03/retail_price_trends_2026_edition.pdf.

⁴ Lawrence Berkeley National Laboratory, "DEPTH Tool: Drivers of Electricity Pricing Trends & History," Energy Markets & Planning at Berkeley Lab (2026), <https://emp.lbl.gov/depth-tool-drivers-electricity-pricing-trends-history>.

⁵ Heatmap News x MIT, "Electricity Price Hub," (2026), <https://electricity.hmap.news/>.

⁶ Central Maine Power Co., Request for Approval of Annual Compliance Filing, No. 2025-00018, OPA-001-002, (Me. P.U.C. Mar. 27, 2025); Tux Turkel, "Maine's electricity prices grew at the third fastest rate in the U.S.," The Maine Monitor (Apr. 26, 2025), <https://themaine-monitor.org/electricity-prices-third-fastest-rate/>.

(ROE).⁷ Further exacerbating this issue: in its pending rate case, CMP has asked the Maine Public Utilities Commission (MPUC or Commission) to raise its authorized ROE from 9.35 to 9.8 percent; if granted in full, \$61 million of its \$189 million annual revenue request would stem directly from higher returns for equity investors,⁸ while CMP customers would pay an extra \$18 per month, on average.⁹

Maine's regulatory model also mutes the incentive to operate efficiently, as evidenced by CMP's current storm cost recovery practices. Central Maine Power's storm expenses are expensed directly to ratepayers and reconciled into rates annually. Versant, by contrast, largely internalizes and budgets for average storm costs as part of its ordinary operations rather than passing them through dollar-for-dollar each year. By allowing CMP to pass on storm recovery costs directly to ratepayers each year (versus working within a set budget), the utility has little incentive to contain those costs. This structure has coincided with CMP's storm costs rising from \$7.7 million in 2016 to \$206.3 million in 2023, before 2024's storms pushed CMP's storm-related requests even higher, as discussed further in Part One.¹⁰

Both Maine's Legislature and the Commission have shown they are willing to act boldly to curb rate increases and utility profiteering. In 2026, the Legislature passed a law requiring Maine's utilities to join a regional transmission organization, a step the Public Advocate estimates will save Maine ratepayers more than \$2 million per year by eliminating a return on equity bonus – with far larger savings possible if other New England states adopt similar legislation.¹¹ The Commission also has a real record of using its existing authority to protect ratepayers. In November 2025, the MPUC rejected a significant rate hike request from CMP. Then-MPUC Chair Philip Bartlett explained that the plan "just misses the mark in terms of meeting the

⁷ Energy and Policy Institute, "EPI Profit Tracker,"

<https://energyandpolicy.org/utilityprofittracker/?utility=central-maine-power&bill=163>;

<https://energyandpolicy.org/utilityprofittracker/?utility=versant&bill=163>.

⁸ Conversely, Commission staff have recommended holding the rate essentially flat at 9.375 percent, the Office of the Public Advocate recommended 8.27 percent, and a ratepayer advocate recommended 5.64 percent. Delger Erdenesanaa, "Consumer advocates argue against CMP's requested returns," *The Maine Monitor* (Aug. 27, 2026), <https://themainemonitor.org/advocates-argue-against-cmp-requested-returns/>.

⁹ Morgan Taylor, "Maine power bills could jump over \$200 annually as CMP seeks higher profits on grid upgrades," *Yahoo Finance* (Aug. 30, 2026), <https://finance.yahoo.com/energy/articles/maine-power-bills-could-jump-171900009.html>.

¹⁰ Central Maine Power Co., Response to Office of the Public Advocate Data Request OPA-005-183, Me. P.U.C. Docket No. 2026-00043; Central Maine Power Co., 2026 Annual Compliance Filing, Response to Office of the Public Advocate Data Request OPA-001-001, Me. P.U.C. Docket No. 2026-00011.

¹¹ Heather Sanborn, Public Advocate, Testimony on LD 2038, "An Act Regarding Mandatory Participation in ISO-NE," Joint Standing Committee on Energy, Utilities and Technology, Maine State Legislature (Jan. 22, 2026), <https://www.maine.gov/meopa/sites/maine.gov.meopa/files/inline-files/2026-01-22%20LD%202038%20Act%20Regarding%20Mandatory%20Participation%20in%20ISONE.pdf>; LD 2038, "An Act to Require Maine Transmission and Distribution Utility Participation in a Regional Transmission Organization," 132nd Maine Legislature (2026), text and status, <https://legiscan.com/ME/bill/LD2038/2025>.

moment that we're at," and instead directed CMP to first file the integrated grid plan the Commission needed in order to evaluate whether the proposed spending was justified.¹² The Commission has also shown it will tie financial consequences to performance: in 2020, it imposed a reduced return on equity on CMP as a penalty for customer-service failures, costing shareholders an estimated \$12.5 million, and restored the rate only in February 2022, after CMP demonstrated sustained improvement.¹³ And in 2026, after an earlier unsuccessful procurement for a major new transmission line, the Commission ran a second, better-structured competitive process, one that shares costs across five New England states and brings Maine's share of the project's cost down to under 11 percent.¹⁴

Even so, in several key instances, implementation of key affordability measures has stalled, with the Commission sometimes lagging in realizing the full potential of new authority granted by the Legislature. It took four years for the MPUC to implement an integrated grid planning (IGP) process to promote equitable, least-cost distribution grid upgrades.¹⁵ Other statutory tools, including a requirement that utilities formally assess environmental justice impacts in their planning, have gone largely unused since enactment.¹⁶ Sustaining and building on the Commission's and Legislature's recent progress will take updated procedural tools, dedicated staff capacity, and sustained follow-through — resources and structures that a new governor is well positioned to help secure.

This urgency is heightened by the Commission's own composition. Two of the three MPUC seats are due to turn over within the first few months of the next administration, whether through a new appointment opportunity or a reappointment decision.¹⁷ To sustain and accelerate the Legislature's, Public Advocate's, and MPUC's efforts to lower rates, decisive leadership from Maine's next governor is key.

¹² Daniel Kool, "Regulators dismiss CMP's controversial 5-year rate increase," Portland Press Herald (Nov. 18, 2025), <https://www.pressherald.com/2025/11/18/regulators-dismiss-cmps-controversial-5-year-rate-plan/>.

¹³ Fred Bever, "State utility regulators lift penalty against CMP, and launch investigation into its management," Maine Public (Feb. 17, 2022), <https://www.mainepublic.org/business-and-economy/2022-02-17/state-utility-regulators-lift-penalty-against-cmp-and-launch-investigation-into-its-management>.

¹⁴ Kathleen Phalen Tomaselli, "Regulators choose CMP for new northern Maine transmission line project," Bangor Daily News (Aug. 25, 2026), <https://www.bangordailynews.com/2026/08/25/aroostook/aroostook-business/regulators-choose-cmp-new-northern-maine-transmission-line-project/>.

¹⁵ 35-A M.R.S. § 3147, "Integrated grid planning," Maine Revised Statutes, <https://legislature.maine.gov/statutes/35-A/title35-Asec3147.html>.

¹⁶ 35-A M.R.S. § 3147(4)(D), "Integrated grid planning," Maine Revised Statutes, <https://legislature.maine.gov/statutes/35-A/title35-Asec3147.html>.

¹⁷ Commissioners, Maine Public Utilities Commission, <https://www.maine.gov/mpuc/about/commissioners>; Drew Johnson, "Chair of Maine Public Utilities Commission to Step Down Next Month," Portland Press Herald (Sept. 15, 2026), <https://www.pressherald.com/2026/09/15/chair-of-maine-public-utilities-commission-to-step-down-next-month/>.

This primer lays out a menu of options for the incoming governor and transition team to consider when developing and implementing their energy affordability agenda: a Day One agenda the governor's office can act on directly to set a tone of action; guardrails to empower the Commission to fully leverage its existing authorities; steps to equip the Commission and the Office of the Public Advocate to expand their commendable leadership in the affordability arena; durable tools to strengthen the Legislature's oversight of the Commission and the utilities it regulates; and reforms to open the regulatory process to the public and the organizations that represent Maine ratepayers.

Part One: Setting the Tone Early with a Day One Agenda

A focused Day One energy affordability agenda can inject early momentum behind key legislation and empower commissioners and MPUC staff to act on the root drivers of rate increases within existing statutory authority.

A new administration's first months carry a kind of leverage that rarely returns in full once the ordinary friction of governing sets in. What an incoming governor chooses to prioritize on energy affordability during that window tells commissioners how much backing they will have if they act, tells the Legislature what priorities to expect help passing, and tells Maine's regulated utilities that ratepayer affordability is a first-order priority of the administration, not a peripheral concern to be managed through public relations. Waiting to build that agenda until a crisis surfaces to force the issue could cost a governor real leverage; building it before taking office costs nothing but preparation. New Jersey's new governor, Mikie Sherrill, offered a template for this kind of leadership in January 2026, issuing an electricity affordability state of emergency as her first executive order and directing her utility board to deliver bill credits, minimize spending on non-cost-effective programs, and study reforms to the utility business model, all within specific, public deadlines.¹⁸

The proposals below are not a single bill or a single ask. Together, they form an agenda that spans every major driver of what actually shows up on a Maine ratepayer's bill — fuel cost volatility, the region's rising transmission costs, distribution and grid-planning investment, and the underlying incentives that may be exacerbating cost increases. Some can be pursued through legislation the governor champions; others are executive tools, such as convening authority, appointment choices, or an executive order, that do not require waiting on the Legislature at all. Collectively, they allow the incoming governor to act immediately on the parts of the ratepayers' monthly utility bills within reach, while building the case for the larger structural reforms addressed later in this primer.

The incoming transition team could also consider including reforms aimed at aligning utility incentives with the public interest (elaborated in Part 6 of this primer) as part of the governor's Day One agenda. These reforms, which include realigning return on equity with the cost of capital and scrutinizing affiliate transactions, would close loopholes and tie earnings more directly to the provision of affordable, high-quality service. Reforming utilities' business model is also an important avenue to regain public trust in the regulatory system. Three quarters of

¹⁸ Governor Mikie Sherrill, Executive Order No. 1 (N.J.) (Jan. 20, 2026), <https://www.nj.gov/infobank/eo/057sherrill/pdf/EO-1.pdf>.

Americans believe that bloated utility profits are raising their electric bills, with nearly as many blaming regulators for allowing utilities to overcharge customers.¹⁹

Lowering electric rates does not require resolving every technical question on day one. Rather, it requires deciding, publicly and early, that affordability is the standard that every subsequent decision will be measured against, and deploying public communications to make that standard credible to commissioners, the Legislature, and Maine ratepayers alike.

Fuel cost volatility

Consider reforms to standard supply procurement — New England is unusually exposed to the price swings of natural gas given that the region generated 55 percent of its electricity from natural gas in 2025. And, because pipeline capacity into New England is constrained, the region depends on imported liquefied natural gas (LNG) concentrated almost entirely in the November-to-March heating season, when global supply is tightest and demand from Asian and European buyers is highest.²⁰ This is not a hypothetical risk. Wholesale electricity prices hit \$84.92 per megawatt-hour in 2022, the highest annual average in nearly two decades, after global LNG prices rose by almost 300 percent following Russia's invasion of Ukraine. Connecticut customers on standard supply, for example, saw their default rates double in the first half of 2023 as a direct result.²¹ The same exposure is live again right now: with roughly 20 percent of global LNG production sitting behind the currently closed Strait of Hormuz, the region is once again facing a winter of acute price risk.²²

Maine's legislature has already directed the Commission to study whether reforming the process by which CMP and Versant establish supply contracts for standard-offer service can better protect ratepayers from LNG volatility. The MPUC's own December 2025 report acknowledged a central tension between lowering prices and stabilizing them, since reforms that reduce the risk premium built into standard-offer prices often work by shifting risk from suppliers onto consumers.²³ For example, soliciting bids more frequently in order to pass through market price declines to ratepayers can inadvertently expose ratepayers to more volatility, not less, if not carefully designed. Market hedging comes at a steep cost

¹⁹ Climate Power, "Polling Memo: Utility Bills, Clean Energy & Electoral Opportunity in 2026," (2026), <https://climatepower.us/news/polling-memo-utility-bills-clean-energy-electoral-opportunity-in-2026/>.

²⁰ Marissa P. Gillett, "How Congress and States Should Respond to Electricity Price Spikes Due to the Iran War," American Economic Liberties Project (Mar. 2026), [20260323-aelp-electricity-issuebrief-1.pdf](https://aelp-electricity-issuebrief-1.pdf).

²¹ *Id.*

²² *Id.*

²³ "Report on Standard-offer Procurement Strategies Pursuant to Resolves 2025, chapter 52 (LD 568)," Maine Public Utilities Commission (Dec. 30, 2025), https://www.maine.gov/mpuc/sites/maine.gov/mpuc/files/inline-files/Standard%20offer%20report-Resolves%202025%20ch%2052-LD%20568-Final_o.pdf.

to ratepayers. Across New England, customers on standard-offer service are paying exorbitant retail premiums to third-party suppliers, as much as \$8.6 billion over the last 10 years. In Maine, where roughly 90 percent of residential customers are on the default supply option, the retail premium amounts to \$12 per month in hidden fees.²⁴ The tension between volatility and risk premium is exactly why the incoming governor should treat reforming standard procurement as a first-term priority rather than a technical footnote. Both the MPUC and the Office of the Public Advocate are well positioned to develop the specific mechanism.

Provide regional leadership on generation costs — Insulating Maine’s ratepayers from LNG market volatility will require the next governor to intervene, lead, and coordinate at the regional level. The New England States Committee on Electricity (NESCOE), the body that represents the six New England states’ collective interest before New England’s independent system operator (ISO-NE) and the Federal Energy Regulatory Commission (FERC), is governed by a board of managers appointed by each state’s governor.²⁵ The incoming governor should treat that appointment as a substantive affordability decision, not a routine staffing matter, and should direct Maine’s NESCOE manager(s) to prioritize fuel-cost volatility and winter reliability planning in the organization’s regional advocacy.

The governor could also consider convening a standing collaborative of New England governors’ offices specifically on winter fuel security. Pennsylvania’s Governor Shapiro has already shown what a multi-state governors’ collaborative can accomplish in a neighboring regional grid: following a September 2025 summit, all 13 states in the PJM interconnection launched the bipartisan PJM Governors’ Collaborative giving state chief executives a direct, collective voice in PJM’s governance and market rules. That collaborative delivered a February 2026 agreement extending PJM’s price cap through 2030, saving an estimated \$27 billion across the region on top of earlier savings.²⁶ New England has no equivalent body today. The incoming governor could consider convening a comparable governors’ collaborative across ISO-NE states to press ISO-NE and FERC on regional solutions to winter fuel insecurity and LNG-driven price volatility that no single state could achieve alone.

²⁴ Pat Knight et al., “Overcharged in New England,” Synapse Energy Economics (Jul. 23, 2026), <https://www.synapse-energy.com/overcharged-new-england>.

²⁵ NESCOE, “About NESCOE,” <https://nescoe.com/about-nescoe/>.

²⁶ Governor Josh Shapiro, “States Launch PJM Governors Collaborative for Reform, Lower Costs, Reliability,” Commonwealth of Pennsylvania, Office of the Governor (Sept. 26, 2025), <https://www.pa.gov/governor/newsroom/2025-press-releases/states-launch-pjm-governors-collaborative-for-reform--lower-cost>; Governor Josh Shapiro, “Gov. Shapiro Secures Extension of PJM Price Cap, Saving Consumers \$45B in Total,” Commonwealth of Pennsylvania, Office of the Governor (Feb. 12, 2026), <https://www.pa.gov/governor/newsroom/2026-press-releases/gov-shapiro-secures-extension-pjm-price-cap-saving-consumers--45>.

Regional transmission cost increases

Pass a transmission cost accountability package — Maine's own high-voltage transmission statute requires a certificate of public convenience and necessity (CPCN) from the Commission for any line of 69 kilovolts or more, but a separate exemption lets “minor” projects (anything costing less than 25 percent of a utility’s annual transmission depreciation charge) and rebuild or relocation projects skip CPCN review altogether, subject instead to only an annual report and a 60-day window for the Commission to intervene after the fact. That exemption, written and intended to encompass small maintenance work, has become the vehicle for a broader category of “supplemental” transmission spending that utilities plan largely on their own, outside of the regional ISO-NE process.²⁷ This loophole for supplemental projects can drive up rates in two ways: first, by allowing excessive spending, which adds costs directly to rates; second, by disincentivizing utilities from building the larger regional lines that can deliver cheaper electricity and address grid congestion.

That gap is not unique to Maine, and other states are moving to close it. New Jersey, under Governor Sherrill, signed legislation in July 2026 requiring transmission owners to obtain a CPCN from state regulators specifically for supplemental projects, the category of locally planned upgrades that made up 79 percent of the state's \$14.7 billion in transmission spending since 2008, despite receiving comparatively little regulatory scrutiny.²⁸ Kansas regulators proposed a related but distinct fix: narrowing which transmission investments qualify for automatic rider recovery under formula rates to only those directed by the regional grid operator, and shifting locally planned projects into traditional rate cases with full Commission oversight and Commission-authorized returns (rather than the higher, FERC-authorized formula-rate returns those projects currently enjoy).²⁹

At the regional level, ISO-NE is developing a new “asset condition reviewer” role that would give the grid operator, for the first time, independent authority to review the transmission asset-replacement projects utilities plan largely on their own; ISO-NE filed its proposal with FERC in August 2026, with a target of finalizing

²⁷ 35-A M.R.S. §3132, <https://legislature.maine.gov/statutes/35-A/title35-Asec3132.html>.

²⁸ Governor Mikie Sherrill, “Governor Sherrill Announces Ratepayer Relief, Signs Major Legislation on Energy, Saving New Jerseyans \$1B Annually,” N.J. Office of the Governor (July 7, 2026), <https://www.nj.gov/governor/news/2026/20260707a.shtml>; N.J. S4411 (2026), <https://legiscan.com/NJ/text/S4411/2026>.

²⁹ Kansas Corporation Commission, “Overview of KCC's Role in Transmission Planning, Oversight, Siting, Cost” (Jan. 31, 2023), https://www.kcc.ks.gov/images/PDFs/presentations-and-legislative-testimony/2023_KCC_Transmission_Presentation.pdf.

the role's scope by January 2027.³⁰ However, the value of this role depends entirely on how much enforcement authority it's ultimately granted. The incoming governor should direct Maine's NESCOE representative and PUC to advocate at FERC for a genuinely independent reviewer with real authority to reject or modify projects, not merely an advisory check utilities can route around.

Explore public financing for transmission as a longer-horizon option — Public financing for transmission can lower rates by lowering the financing costs of large projects as well as muting the incentive to overbuild that ROE creates. The opportunity is especially significant in New England, where the region's transmission rates are already the highest in the country — more than double those in neighboring regions. A 2026 analysis found that public financing of new and upgraded transmission lines could slash customer costs by roughly one-third to over 40 percent, compared to the current utility model.³¹ Maine's next governor could use their convening authority to build consensus around this policy in their first year in office, followed by a potential legislative package in Year Two or Three of the administration.

The federal Department of Energy's (DOE) Transmission Facilitation Program offers one active model worth tracking: a \$2.5 billion revolving fund in which DOE acts as an anchor customer, committing to purchase up to half a new line's capacity for up to 40 years and then selling those contracts to other customers to recover its investment, which lowers the risk profile enough to attract private financing for projects that otherwise could not get built.³²

California has already moved further than the federal model, and further than most states. SB 254, enacted in September 2025, created the California Transmission Accelerator Revolving Fund, administered by the state's Infrastructure and Economic Development Bank (I-Bank), to directly finance or refinance transmission projects, and separately expanded the California Consumer Power and Conservation Financing Authority's authority to sponsor, finance, purchase, or even

³⁰ "ISO-NE Developing Framework to Assume the Role of Regional Asset Condition Reviewer," ISO Newswire (Oct. 29, 2025), <https://isonewswire.com/2025/10/29/iso-ne-developing-framework-to-assume-the-role-of-regional-asset-condition-reviewer/>; "ISO-NE Files Proposal with FERC to Assume Asset Condition Reviewer Role," ISO Newswire (Aug. 19, 2026), <https://isonewswire.com/2026/08/19/iso-ne-files-proposal-with-ferc-to-assume-asset-condition-reviewer-role/>.

³¹ Jamie Dickerson, Kelsey Landau, Nicole Pavia, and Anya Poplavska, "A Smarter Way to Pay: Public Financing for Affordable Transmission Development in New England," Acadia Center (May 2026), [A Smarter Way to Pay: Public Financing for Affordable Transmission Development in New England - Acadia Center](#); Peter McGuire, "Clean Energy Groups Encourage Public Financing for Electric Transmission," Maine Public (May 24, 2026), <https://www.mainepublic.org/climate/2026-05-24/clean-energy-groups-encourage-public-financing-for-electric-transmission>.

³² Grid Deployment Office, "Transmission Facilitation Program: Frequently Asked Questions," U.S. Department of Energy (2026), <https://www.energy.gov/gdo/transmission-facilitation-program-frequently-asked-questions>.

own and operate transmission projects itself, rather than merely helping a utility finance one.³³ That is a meaningfully bigger step than a federal anchor-tenant model: it gives the state its own financing and ownership tools rather than relying on a private developer plus a federal backstop.

Maine would not need to lead this effort alone. The state's Department of Energy Resources previously began exploring public financing models for transmission alongside other New England states through existing regional partnerships, giving the incoming governor's office a running start on the kind of multi-state coordination this reform may ultimately require.³⁴

Distribution costs

Strengthen distribution and grid planning requirements to promote least-cost electrification and grid upgrades — In 2022, Maine took a meaningful step in this direction when the Legislature required the Commission to run a forward-looking integrated grid planning (IGP) process for the state's utilities, rather than relying on each utility's own ad hoc, and largely internal, capital planning documents.³⁵ As noted above, implementation took years, with the first planning cycle coming to a conclusion in July 2026. While this inaugural IGP failed to promote least-cost alternatives, it did bring a new degree of transparency to utility planning, exposing stark weaknesses in the utilities' analytical and planning practices, which have helped stakeholders call into question hundreds of millions in requested expenditures in other proceedings. Last year, the Legislature followed up with a narrower coordination bill, LD 1726, signed into law in June 2025, which tightens requirements around forecasting methods and grid-enhancing technologies.³⁶ The incoming governor's task now is to improve implementation for the next cycle of integrated planning, set to kick off in November 2027, by ensuring the Commission has the staff capacity, expertise, and funding to proactively lead a more effective planning process that can require the utilities to appropriately pace investments and incorporate least-cost alternatives to conventional utility infrastructure, like battery storage, load management, and energy efficiency. Other improvements

³³ Cal. S.B. 254, ch. 119, Stats. 2025 (enacted Sept. 19, 2025), <https://legiscan.com/CA/text/SB254/id/3270463>; GT Alert, "California Enacts New Electric Transmission Financing Programs and Adds to Its Wildfire Fund," Greenberg Traurig (Oct. 2025), <https://www.gtlaw.com/en/insights/2025/10/california-enacts-new-electric-transmission-financing-programs-and-adds-to-its-wildfire-fund>.

³⁴ Peter McGuire, "Clean Energy Groups Encourage Public Financing for Electric Transmission," Maine Public (May 24, 2026), <https://www.mainepublic.org/climate/2026-05-24/clean-energy-groups-encourage-public-financing-for-electric-transmission>.

³⁵ 35-A M.R.S. § 3147, "Integrated grid planning," Maine Revised Statutes, <https://legislature.maine.gov/statutes/35-A/title35-Asec3147.html>.

³⁶ LD 1726, "An Act to Enhance the Coordination and Effectiveness of Integrated Distribution Grid Planning," 132nd Maine Legislature (enacted June 12, 2025), https://legislature.maine.gov/legis/bills/display_ps.asp?LD=1726&snum=132.

worth pursuing in the next planning cycle include better electricity demand forecasting methods, more consistent use of probabilistic time series analysis rather than static snapshots, a standardized library of alternative solutions utilities and reviewers can draw on, and more systematic use of technical working groups paired with independent modeling review.³⁷

Reform storm cost recovery to encourage greater cost containment — Storm costs are becoming one of the largest and fastest-growing line items on CMP customers' bills. CMP's own storm spending shows the trend: \$7.7 million in 2016, \$43.2 million in 2019, \$81.9 million in 2020, \$129.3 million in 2022, and \$206.3 million in 2023.³⁸ That trajectory continued into 2024, when unusually severe weather — including a March ice storm and April nor'easter that affected the majority of CMP's customers — drove a \$228 million storm repair request covering the storms that CMP responded to that year.³⁹ The swings run in both directions, however, as illustrated by the mild 2025 storm season, which saw costs of \$43.8 million, well below the roughly \$180 million average of 2022-2024, temporarily lowering the storm cost component of customer bills by about \$11 per month even as CMP's broader rate case sought new increases elsewhere.⁴⁰ This volatility is itself part of the case for reform: a mechanism this sensitive to a single winter's weather makes it challenging for ratepayers to plan and for regulators to hold the utility to a consistent, stable standard.

These steep increases may be exacerbated by the regulatory process through which CMP collects those costs from rates. Rather than giving CMP a set budget for storm repairs each year, the Commission allows CMP to track its expenses and then spread costs across the following one to two years of customer bills. The Commission reviews expenditures under a "prudence" standard, asking whether the utility's decisions were reasonable given the circumstances at the time.⁴¹

OPA and other advocates have argued that this tracking system offers little incentive for CMP to contain costs, since CMP can simply pass on whatever it spends to ratepayers, whereas Versant's shareholders bear the risk of any cost overruns until their next rate case. For example, rather than hire additional workers

³⁷ eNGO Joint Comments, Me. P.U.C. Docket No. 2022-00322 (Jan. 31, 2024), <https://acadiacenter.org/wp-content/uploads/2024/02/eNGO-Joint-Comments-2022-00322-Jan-31-2024.pdf>.

³⁸ Central Maine Power Co., Response to Office of the Public Advocate Data Request OPA-005-183, Me. P.U.C. Docket No. 2026-00043; Central Maine Power Co., 2026 Annual Compliance Filing, Response to Office of the Public Advocate Data Request OPA-001-001, Me. P.U.C. Docket No. 2026-00011.

³⁹ Stephen Singer, "CMP Seeks \$228 Million for 2024 Storm Repair Costs," Portland Press Herald (Feb. 28, 2025), <https://www.pressherald.com/2025/02/28/cmp-seeks-228-million-for-2024-storm-repair-costs/>.

⁴⁰ Kaitlyn Budion, "CMP's Latest Proposed Increase Tempered by Mild Storm Season," Maine Morning Star (Apr. 17, 2026), <https://mainemorningstar.com/2026/04/17/cmpps-latest-proposed-rate-increase-tempered-by-mild-storm-season/>.

⁴¹ *Id.*

to respond to storm events, CMP relies on costly out-of-state contractors, often paying a premium to station them in nearby states ahead of even moderate storms.⁴² The Office of the Public Advocate's technical consultant has proposed embedding a five-year average of storm costs directly into rates, reserving separate recovery only for storms severe enough to clear a much higher materiality threshold — effectively replacing open-ended tracking with a fixed budget.⁴³ The tracker's design creates a related risk: without a clear standard⁴⁴ for what qualifies as a storm cost, CMP has an opportunity to include costs in the tracker that would otherwise need to clear the ordinary rate-case review process, effectively shielding some spending from the scrutiny it would face outside the tracker. Moreover, the mechanism allows CMP to earn carrying costs on unrecovered storm balances at its weighted average cost of capital, rather than at a lower cost of debt rate — a design that Synapse Energy Economic estimates has cost Mainers on the order of \$58 million over the past five years.⁴⁵

CMP's current approach also involves real tradeoffs between the speed of storm response cost recovery and the degree of regulatory scrutiny applied to costs, which may also impact the scale of the costs ultimately placed into rates. Any reform to the status quo must also consider these tradeoffs.

The first tradeoff is created by the backward-looking nature of the process. A retrospective prudency review lets a utility respond to an active emergency without waiting on regulatory pre-clearance, which matters when crews need to be deployed immediately. However, it also means the people evaluating whether costs were reasonable are reconstructing decisions made under time pressure using records assembled well after the fact, when the utility already holds most of the relevant information and has little incentive to revisit its own judgment calls. A more contemporaneous review process would catch problems while the underlying decisions and documentation are still fresh but could stretch regulators and advocates by requiring the Commission and the Office of the Public Advocate to

⁴² Rebecca Schultz, "CMP Disguises Its Latest Bid to Increase Mainers' Electricity Bills," Nature of Maine Blog (Apr. 16, 2026), nrcm.org/blog/cmp-disguises-its-latest-bid-to-increase-mainers-electricity-bills/.

⁴³ Ben Havumaki and Melissa Whited, "MYRP Design for Maine," Synapse Energy Economics (Feb. 9, 2026), [https://www.synapse-energy.com/sites/default/files/Synapse%20MYRP%20Design%20for%20Maine%20-%20for%20OPA%20\(20260209\)%2025-108.pdf](https://www.synapse-energy.com/sites/default/files/Synapse%20MYRP%20Design%20for%20Maine%20-%20for%20OPA%20(20260209)%2025-108.pdf).

⁴⁴ To be clear, CMP is bound by its own emergency response plan guidelines on storm staffing and documentation, but those guidelines have not always constrained what customers ultimately pay. For example, a 2024 OPA challenge to CMP's 2022 storm costs, citing excessive contractor spending and insufficient documentation, ultimately led to a settlement shifting \$850,000 from ratepayers to CMP's shareholders. Evan Popp, "Regulators approve deal to reduce CMP storm charges to ratepayers by \$850,000," Maine Morning Star (June 11, 2024), <https://mainemorningstar.com/2024/06/11/regulators-approve-deal-to-reduce-cmp-storm-charges-to-ratepayers-by-850000/>.

⁴⁵ Melissa Whited, "Direct Testimony on Storm Cost Recovery," Synapse Energy Economics, on behalf of the Maine Office of the Public Advocate, in *Central Maine Power Co., Request for Approval of Distribution Rate Change Pursuant to 35-A M.R.S. § 307*, Me. P.U.C. Docket No. 2026-00043 (filed July 20, 2026), at 9, available at: [Case Details](#).

carry standing capacity to review storm spending on an ongoing basis rather than in occasional, backward-looking dockets.

A second tradeoff concerns how quickly costs are embedded into rates. Spreading storm costs over multiple years can smooth the rate impact on customers, but it also means ratepayers begin paying for costs before scrutiny of those costs is complete. A faster recovery mechanism gets cash back to the utility sooner, which matters for funding the next storm response and maintaining the utility's credit position, but it does so by trading away some of the time and leverage regulators would otherwise have to scrutinize the request before money changes hands.

Neither of these tradeoffs has an obviously correct answer, and Maine's own cost trajectory is exactly why getting the framework right matters more with each passing storm season, not less. The incoming governor's most useful role here is not to pick among these tradeoffs personally, but to urge the Commission to formally evaluate them, with the input of the Office of the Public Advocate, and to adopt a durable storm cost review framework before the next major storm season arrives, rather than litigating each one after the fact.

Reform the non-wires review process — Maine's non-wire alternative (NWA) review process has the potential to play a more impactful role in controlling distribution costs. The NWA process has suffered from friction since its implementation, although a recent MPUC assessment indicates near-term opportunities for improvement if acted upon in a timely manner.

Established pursuant to 2019 legislation,⁴⁶ the NWA investigation involves a formal vetting of the utilities' investment plans by a third-party technical consultant engaged through the Office of the Public Advocate in coordination with Efficiency Maine Trust. The consultant seeks to replicate the utility's analysis demonstrating a project need and investigate cost-effective alternatives, such as battery storage, load management, and energy efficiency, or a combination thereof. A 2022 memorandum of understanding (MOU) between CMP and the OPA established common assumptions regarding planning standards and data sharing requirements, followed by incremental statutory amendments in 2023⁴⁷ and 2026.⁴⁸ While, to date, no non-wires alternative project has been implemented wholesale, the NWA review

⁴⁶ PL 2019, c. 298 (LD 1181 An Act To Reduce Electricity Costs through Nonwires Alternatives), https://legislature.maine.gov/legis/bills/bills_129th/billtexts/HP085501.asp.

⁴⁷ PL 2023, c. 355, LD 1887 An Act to Clarify the Review and Procurement Process for Nonwires Alternatives, https://www.mainelegislature.org/legis/bills/display_ps.asp?PID=1456&snum=131&paper=&paperId=l&ld=1887.

⁴⁸ PL 2026, c. 681, LD 897 An Act Regarding the Nonwires Alternative Process and Required Negative Pricing Provisions in Contracts for Energy Resulting from Competitive Solicitations Conducted by the Public Utilities Commission, https://www.mainelegislature.org/legis/bills/display_ps.asp?PID=1456&snum=132&paper=&paperId=l&ld=897.

has nonetheless resulted in \$17.4-21.9 million in savings to ratepayers, by identifying more appropriate utility solutions and enforcing planning discipline on the part of the utilities.⁴⁹

Building on a 2025 PUC assessment of the program,⁵⁰ more stands to be done to reform the NWA review to reduce barriers, improve transparency, enforce data sharing, and integrate it more effectively into related utility functions, such as interconnection and multi-year rate requests.

Consider enhancements to the Efficiency Maine Trust — Maine’s independent agency, Efficiency Maine Trust (EMT or the Trust), is tasked with helping Maine homes and businesses reduce their energy use, shift load, or electrify when those upgrades can lower grid costs for all customers.⁵¹ While EMT-related charges comprise a very small portion of electricity bills (less than \$1.50 on the average CMP bill today), programs funded by the charge provide sizable benefits in return, especially those initiatives associated with beneficial electrification. Every dollar invested into EMT electrification programs in 2025 is expected to suppress rates by more than \$5 on average, by averting new infrastructure and spreading fixed grid costs among a growing sales base.⁵² This works because beneficial electrification tends to add load during off-peak hours (heat pumps and EV charging, for instance) rather than during the system’s most expensive peak periods; that added low-cost consumption spreads the grid’s fixed costs across more kilowatt-hours sold, which is what allows rates to go down even as total usage goes up.

Given these proven impacts, the next administration should consult with the MPUC and OPA to consider ways to further strengthen EMT’s programs, including through increasing funding for beneficial electrification. The current statute limits EMT’s funding via rates to 4 percent of total retail electricity sales⁵³; notably, when in 2023 the Legislature significantly expanded EMT’s responsibilities to include beneficial electrification,⁵⁴ the cap was not adjusted.

⁴⁹ MAINE NON-WIRES ALTERNATIVE COORDINATOR, on behalf of the Maine Office of the Public Advocate, “Public: Quarterly Report on Non-Wires Alternative Projects Q4 2025” (Feb. 6, 2026), p. 4, available in MPUC COMMISSION INITIATED INQUIRY OF NONWIRES ALTERNATIVES INFORMATION REPOSITORY, Docket No. 2024-00321, item # 17.

⁵⁰ Nonwires Alternative Assessment Public Law 2025, chapter 293, Report to the Joint Standing Committee on Energy, Utilities and Technology (Feb. 27, 2026), <https://www.maine.gov/mpuc/sites/maine.gov/mpuc/files/inline-files/NWA%20Report-Final.pdf>.

⁵¹ 35-A M.R.S. § 10110(2)(A)(4), <https://legislature.maine.gov/statutes/35-A/title35-Asec10110.html>.

⁵² See source table on p. 104 of the Trust’s FY2025 Annual Report, <https://www.efficiencymaine.com/docs/FY2025-Annual-Report.pdf>.

⁵³ 35-A M.R.S. § 10110(4-A), <https://legislature.maine.gov/statutes/35-A/title35-Asec10110.html>.

⁵⁴ PL2023 c. 328 LD 1724, <https://legislature.maine.gov/legis/bills/getPDF.asp?paper=SP0688&item=3&snum=131>.

Signaling sustained momentum

There are several ways that the incoming governor's office can drive sustained progress on the Day One energy affordability agenda throughout the term:

Be intentional about legislative leadership and engagement on energy issues —

Every one of the legislative reforms discussed throughout this primer eventually has to pass through the Energy, Utilities and Technology (EUT) committee, which handles PUC oversight, transmission and distribution siting, arrearage management, and virtually every other utility-facing bill the Legislature considers.⁵⁵ The governor has no say over who chairs that committee or how it is composed; however, sustained, direct engagement with EUT leadership and members is still one of the most effective tools available to shape legislative outcomes. Building relationships early, keeping affordability visible throughout and between sessions rather than only at bill-drafting time, signaling clear positions on pending legislation, and lining up sponsors and coalition support before a bill is even introduced are all options available to the governor's office.

Pennsylvania's Governor Shapiro modeled this kind of engagement with his "Lightning Plan." Rather than introducing a bill and hoping it found sponsors along the way, his office secured prime sponsors in both the House and Senate for all six components of the plan before it was formally introduced in April 2025. Governor Shapiro's office also built a coalition spanning the energy industry, organized labor, environmental groups, and consumer advocates to back it publicly from the day it launched.⁵⁶ Through proactive coalition building and treating legislative leadership as an ongoing partner rather than a hurdle to clear once a bill is drafted, Governor Shapiro's office continues to advance its legislative priorities without stepping on the Legislature's own control of its committees. The incoming governor should take the same approach with Maine's EUT committee: sustained, early, visible engagement with its members and leadership specifically on affordability, rather than assuming a well-drafted bill will find its own way through.

Signaling clear intent is also a hallmark of good leadership. Maine's outgoing governor vetoed six significant bills passed by the EUT committee and the Legislature, although the administration's position was not made clear in advance.⁵⁷

⁵⁵ Maine Legislature, Joint Standing Committee on Energy, Utilities and Technology, Committee Jurisdiction, <https://legislature.maine.gov/committee-jurisdiction>.

⁵⁶ Governor Josh Shapiro, "Governor Shapiro Launches Legislative Push for 'Lightning Plan,'" Commonwealth of Pennsylvania, Office of the Governor (Mar. 11, 2025), <https://www.pa.gov/governor/newsroom/2025-press-releases/governor-shapiro-launches-legislative-push-for-lightning-plan->; "Legislature Introduces Six Bills to Implement Governor Shapiro's Lightning Plan," Babst Calland (Apr. 23, 2025), <https://www.babstcalland.com/news-article/legislature-introduces-six-bills-to-implement-governor-shapiros-lightning-plan/>.

⁵⁷ These vetoes included L.D. 307 in the 132nd Legislature, L.D.s 170, 920, and 1708 in the 130th, and L.D.s 1363 and 1383 in the 129th. The Governor's Energy Office testified in "support" of L.D. 307 and "neither for nor

By communicating positions early and clearly, the next governor can improve both relationships and outcomes.

Consider issuing an executive order to focus the MPUC and other relevant agencies on priority reforms — The governor cannot direct the Commission's decision in any specific case, since that would compromise the Commission's independence and due process, but an executive order *can* direct executive branch agencies to study a problem using their existing authority and report concrete recommendations back to the governor and Legislature on a public deadline.

California's Governor Newsom used exactly this model in October 2024, directing the CPUC and other agencies to identify rate-reduction opportunities within their existing authority and recommend statutory changes.⁵⁸ That order produced real, specific output, not just a report restating the problem: the CPUC recommended amending the Public Utilities Code to fold wildfire mitigation costs into normal rate cases instead of reviewing them separately, recommended legislation to speed up utility coordination on underground infrastructure work, and identified roughly \$8.5 billion in costs that could be shifted off ratepayer bills.⁵⁹ CPUC staff and stakeholders have subsequently leveraged the report's recommendations to advance many of the identified reforms across various dockets. Maryland's Governor Moore took a lighter-touch version of the same tool in December 2025, using an executive order to stand up a new Maryland Energy Advisory Council of outside stakeholders with a 180-day deadline to identify barriers to faster, cheaper energy deployment.⁶⁰

Maine's incoming governor has a similar menu of models to choose from, ranging from Maryland's advisory-council approach to California's full agency-directive approach, depending on how much specificity the governor wants to demand up front.

against" L.D. 170 and 1708. It did not testify on the other three bills. See Governor Janet Mills, Veto Messages, Office of the Governor, https://www.maine.gov/governor/mills/official_documents/veto_messages.

⁵⁸ As a case in point, in 2024, California's Governor Newsom issued an executive order (EO N-5-24) that directed the California Public Utilities Commission (CPUC) to identify opportunities to use its existing authority to reduce rates and non-cost-efficient expenditures. N-5-24 also directed the CPUC to present analysis and recommendations for modifying or repealing any statute that would reduce costs to electric ratepayers without compromising public health and safety, electric grid reliability, or the achievement of the state's 2045 clean electricity goal. Cal. Exec. Order No. N-5-24 (Oct. 30, 2024), <https://www.gov.ca.gov/wp-content/uploads/2024/10/energy-EO-10-30-24.pdf>.

⁵⁹ California Public Utilities Commission, "Response to Executive Order N-5-24," (Feb. 18, 2025), <https://www.cpuc.ca.gov/-/media/cpuc-website/industries-and-topics/reports/cpuc-response-to-executive-order-n-5-24.pdf>.

⁶⁰ Maryland Exec. Order No. 01.01.2025.27, "Building an Affordable and Reliable Energy Future," (Dec. 19, 2025), https://governor.maryland.gov/Lists/ExecutiveOrders/Attachments/99/EO%2001.01.2025.27%20Building%20an%20Affordable%20and%20Reliable%20Energy%20Future_Accessible.pdf.

Correct who the public sees as responsible for higher bills — Language choice matters when communicating with the public, and the incoming governor should, when necessary, provide a counterweight to the framing used by regulated utilities in particular when rate increases are requested. When a utility petitions to raise its rates by adding billions in grid expenditures to its asset portfolio, referring to this as an “investment” borrows a word that implies the company is putting its own capital at risk in pursuit of a return, when in practice ratepayers are the ones financing it and bearing the risk if costs run over or the underlying decision turns out to be wrong. The incoming governor’s office should coordinate with legislators, commissioners, and advocates to consistently describe utility capital expenditures as spending, not investment, in public communications, reserving “investment” for describing what ratepayers and the state are actually putting in, whether that is public financing, tax credits, or direct assistance programs. That single word choice does a lot to advance accountability work: spending is something a company does and can be asked to justify, while investment is something that sounds inherently good and gets less scrutiny.

Moreover, this framing choice lines up with where the public’s instincts are already. National polling on this exact question found that 75 percent of voters blame utility companies for overcharging customers to boost profits, and 79 percent blame state utility regulators for allowing it, while a majority, 52 percent, actually believe more clean energy will make electricity more affordable, not less.⁶¹ The risk is not just that the public misattributes higher bills to a specific program or actor; rather, it is that undifferentiated distrust of “regulators” and the “regulatory system,” highlighted by these polling results, swallows up a reform-minded new administration’s own commissioners along with everyone else. Specific, credited wins are the antidote. For example, when the Commission dismissed CMP’s five-year rate plan in November 2025, the largest rate case dismissal in the agency’s history, that was a concrete example of the system working as it should. The incoming governor’s team should identify similar opportunities to lead and consistently pair spending-not-investment language with concrete examples of that spending being rejected or scaled back.

⁶¹ Climate Power, “Polling Memo: Utility Bills, Clean Energy & Electoral Opportunity in 2026,” (2026), <https://climatepower.us/news/polling-memo-utility-bills-clean-energy-electoral-opportunity-in-2026/>.

Part Two: Holding the MPUC Accountable for Delivering Progress

Establishing formal and informal guardrails can help the Commission follow through on the governor's agenda and legislative mandates, increase transparency around its ongoing work, and reinforce its independence.

A Commission that operates with more transparency, clearer conflict-of-interest rules, and a genuine ongoing relationship with the governor's office is better positioned to make and defend difficult decisions. Regulatory accountability and independence are not in tension; rather, they reinforce each other.

The intent of the solutions outlined below is not to second-guess the Commission's substantive judgment on any particular case, but to build the structural relationships and public accountability tools that let good decisions register as credible, and that make it harder for a well-resourced opponent to work around the process through backchannel access, unclear conflict rules, or a revolving door between regulator and regulated. Ohio's 2020 House Bill 6 scandal — a \$60 million bribery scheme connecting a major utility to its state regulator and its legislative leadership, for which regulators only imposed a \$250 million penalty in late 2025 — is a stark example of what happens when those guardrails are not in place.⁶²

The reforms below can build accountability by giving the Commission: (a) additional opportunities to answer to the governor and the public; (b) clearer guardrails for its own conduct; and (c) sharper procedural tools to scrutinize utility requests or applications.

Many of these tools sit naturally with the governor's office and the Legislature's own committee practices, and several can be adopted through internal process changes or legislation rather than any change to the Commission's substantive authority. Together, they are designed to strengthen public confidence in a Commission that is already capable of making the right call.

Build an accountability relationship between the governor's office and the Commission — Maine's institutional landscape recently shifted in a way that makes this recommendation timely. In July 2025, Governor Mills signed LD 1270, creating the Maine Department of Energy Resources (DOER), a new cabinet-level

⁶² Nick Evans, "Ohio regulators order \$250 million penalty against FirstEnergy for role in bribery scandal," Ohio Capital Journal (Nov. 21, 2025), <https://ohiocapitaljournal.com/2025/11/21/ohio-regulators-order-250-million-penalty-against-firstenergy-for-role-in-bribery-scandal/>.

department.⁶³ The statute already binds DOER and the Commission together on specific decisions. DOER must submit competitive-solicitation requests for proposals to the Commission for approval before issuing them, and the Commission may approve a resulting contract only upon finding it "reasonably likely to provide benefits to ratepayers." The two agencies are also separately directed to "coordinate ... to monitor beneficial electrification trends and opportunities and to establish beneficial electrification targets and regulatory frameworks."⁶⁴ What the statute does not specify is how that coordination is actually supposed to work day to day — how quickly the Commission reviews a DOER solicitation before it can move forward, what happens when the two agencies read "ratepayer benefit" differently, or how the beneficial-electrification target-setting process should actually unfold between them.

The incoming governor has an opportunity to define that operating relationship while it is new and still unsettled, rather than letting each disagreement get resolved ad hoc as it arises. A regular, structured, and public cadence of policy-level briefings between DOER and Commission leadership — covering these statutory touchpoints along with broader priorities like affordability and grid reliability, and explicitly walled off from individual pending adjudications to avoid any ex parte concerns — would give the governor's office real visibility into where the Commission's work is heading, and give the Commission a lawful, established channel for hearing directly from the administration about its priorities.

Build structured, transparent engagement between commissioners and the public-interest community — Utilities show up to PUC proceedings with legal counsel, technical staff, and years of docket experience. Community groups, low-income advocates, and individual ratepayers typically do not. Meanwhile, the formal docket process, built for adjudicating contested cases, is a slow and expensive way to be heard on anything short of a full rate case. Maine has already taken one step to close that gap: the Legislature created the Electric Ratepayer Advisory Council in 2022, an 18-member body (13 voting representatives from groups including legal aid, community action agencies, tribal nations, and small businesses, plus five non-voting state agency members) charged with recommending affordability measures.⁶⁵ The Council has a real track record. It helped drive the 2023 arrearage-management reforms, and the reforms it first proposed in 2022 (including monthly bill discounts in place of lump-sum credits, automatic enrollment, and eligibility for households up to 150 percent of the federal

⁶³ LD 1270, "An Act to Establish the Department of Energy Resources," 132nd Maine Legislature (2025) (signed July 2, 2025), codified at 35-A M.R.S. ch. 103, https://legislature.maine.gov/legis/bills/display_ps.asp?LD=1270&snum=132.

⁶⁴ 35-A M.R.S. §§10305(14), Maine Revised Statutes, <https://legislature.maine.gov/statutes/35-A/title35-Asec10305.html>.

⁶⁵ 35-A M.R.S. §1714 (Electric Ratepayer Advisory Council), Maine Revised Statutes, <https://legislature.maine.gov/statutes/35-A/title35-Asec1714.html>.

poverty level) were adopted by the Commission for an October 2026 effective date, alongside a Legislature-approved funding increase that, for the first time, makes the state's general fund contribution to the program an ongoing appropriation rather than a one-time infusion.⁶⁶ But by statute, the Commission's own chair sits on the Council only as a non-voting, ex officio member, and the Council reports to the Public Advocate and the Legislature's utilities committee – not to the Commission itself. The body best positioned to hear directly and regularly from ratepayer and low-income advocates has, at most, an indirect line to the Council. The incoming governor should direct the Commission to build that direct channel: regular briefings with recorded minutes between the full Commission (not just its chair) and the Council or an equivalent standing advisory body, on the model of Pennsylvania's Consumer Advisory Council, which meets bimonthly with PUC commissioners in open, publicly documented sessions under a dedicated Commission regulation.⁶⁷

The same principle should extend beyond the Council to the broader public interest community. Utilities routinely ask commissioners to tour generating plants, storm response facilities, and grid infrastructure, or to speak at industry conferences and briefings, and commissioners regularly say yes, consistent with Maine's existing financial disclosure law for executive branch officials, which already requires commissioners to disclose the source of any gift over \$300 and treats reimbursed travel for an appearance or speech as distinct from a personal gift.⁶⁸ Community organizations, low-income advocates, and municipal groups should have the same standing to invite commissioners to their own meetings, tours, and events, and commissioners should be just as ready to accept, on the identical disclosure terms already in place. The rules already permit this; what is missing is the expectation, on both sides, that the invitation runs both ways.

Beyond structured briefings, the incoming governor should also encourage the Commission to use its own institutional voice more regularly and overtly.

⁶⁶ Electric Ratepayer Advisory Council, "Initial Annual Report," Maine Office of the Public Advocate (Dec. 1, 2022), <https://legislature.maine.gov/doc/9351>; Electric Ratepayer Advisory Council, "Third Annual Report to the Joint Standing Committee on Energy, Utilities and Technology," Maine Office of the Public Advocate (Dec. 1, 2024), https://www.maine.gov/meopa/sites/maine.gov.meopa/files/inline-files/Electric%20Ratepayer%20Advisory%20Council%20Report%20December%201,%202024_0.pdf; Daniel Kool, "Maine expands low-income electricity savings program," Portland Press Herald (Dec. 16, 2025), <https://www.pressherald.com/2025/12/16/maine-expands-low-income-electricity-savings-program/>; Kaitlyn Budion, "Bracing for record enrollment growth, commission nearly doubles low income energy funding," Maine Morning Star (Jul. 15, 2026), <https://mainemorningstar.com/2026/07/15/bracing-for-record-enrollment-growth-commission-nearly-doubles-low-income-energy-funding/>.

⁶⁷ 52 Pa. Code ch. 91 (Consumer Advisory Council),

<https://www.pacodeandbulletin.gov/Display/pacode?file=/secure/pacode/data/052/chapter91/chap91toc.html>.

⁶⁸ 5 M.R.S. §19, Maine Revised Statutes, <https://legislature.maine.gov/statutes/5/title5sec19.html>.

Commissioners and staff are often more cautious about public-facing explanations than the utilities they regulate, which routinely run advertising and outreach explaining their own preferred account of rate increases and infrastructure spending. A Commission that speaks only through written orders cedes that public narrative by default. The incoming governor should make clear the expectation that the Commission explain major decisions in plain language, through press engagement, public forums, and its own communications channels, and to correct the record when a utility's public characterization of a decision is misleading. Doing this consistently, through the same standing channels described above rather than only in response to a specific controversy, is itself a defense against accusations of bias. A Commission whose reasoning is public and consistent is harder to characterize as either captured or hostile.

Address the uncertainty about what a regulator is allowed to say, and to whom, without compromising a pending case by codifying a workable bias/recusal standard and clarifying the ex parte rules –

On bias and recusal. Unlike judges, regulators are expected to have, and to act on, views about policy. That is the job. But the same public-facing role creates an opening: a party facing an unfavorable decision can argue that a commissioner's past public statements show disqualifying bias, effectively using a recusal motion to reshape the panel deciding its case. This is not hypothetical. In December 2025, an investor-owned utility in another state asked a sitting commissioner to recuse himself from a major rate case after he criticized the company's conduct in public remarks; the commissioner refused, calling the request an attempt "to intimidate and squelch the voice of one of its regulators ... for simply doing his job."⁶⁹ Courts have long held that administrative regulators are not bound by judicial recusal canons: combining investigative, prosecutorial, and adjudicative functions in one body does not itself violate due process, and general policy positions formed on the record of prior proceedings are not, by themselves, disqualifying.⁷⁰ California has codified a version of this administrative standard into statute, providing that a commissioner's past work experience cannot alone establish bias sufficient to require disqualification; disqualifying conduct is limited to actions taken during the proceeding itself or, outside the public record, actions demonstrating a commitment to provide relief to a specific party.⁷¹ Maine should adopt a comparable

⁶⁹ Emma Murphy, "Oklahoma Corporation Commissioner Refuses to Recuse, Says OG&E Attempting to Silence Him," Oklahoma Voice (Dec. 4, 2025), <https://oklahomavoice.com/briefs/oklahoma-corporation-commissioner-refuses-to-recuse-says-oge-attempting-to-silence-him/>; Emma Murphy, "Oklahoma Utility Asks for Corporation Commissioner's Recusal," Oklahoma Voice (Dec. 3, 2025), <https://oklahomavoice.com/briefs/oklahoma-utility-asks-for-corporation-commissioners-recusal/>.

⁷⁰ *Withrow v. Larkin*, 421 U.S. 35 (1975), <https://supreme.justia.com/cases/federal/us/421/35/>.

⁷¹ Cal. Pub. Util. Code §309.6, https://leginfo.ca.gov/faces/codes_displaySection.xhtml?lawCode=PUC§ionNum=309.6.

statutory standard, so that a commissioner's record of public engagement on policy questions is not, by itself, a lever for removing them from a case.

On ex parte communications. Maine's ex parte rules for state officials say nothing specific to utility regulation, and provide no exception for a commissioner's ordinary engagement with the Legislature or the public on policy matters.⁷² Rather than carve out a specific exception for "legislators" as a category, which invites line-drawing over who counts, California's model exempts an entire category of proceeding from ex parte restrictions: communications in quasi-legislative proceedings (rulemakings and other broadly applicable policy matters) are not restricted at all, while adjudicatory proceedings between specific parties keep strict ex parte rules.⁷³ Illinois takes a related but distinct approach: its ex parte rule applies only once a contested case or licensing proceeding is underway, and only to communications with a "party" to that proceeding — a term defined narrowly enough that a legislator raising a general policy question falls outside the restriction by definition, without needing a separate carve-out.⁷⁴ Maine could consider adopting the same proceeding-type distinction, but at minimum, should clarify explicitly that commissioners and staff may discuss general policy matters with legislators and the public without triggering an ex parte violation.

Close Maine's revolving-door gap — Maine restricts former executive-branch employees generally from appearing before, or acting as an agent before, their own former agency for one year after leaving — indefinitely, if the matter was within their own responsibilities in their last year in office.⁷⁵ But it says nothing about accepting a job with the industry you just finished regulating. There is no Maine statute, PUC-specific or general, that delays a departing commissioner or senior PUC staff, nor a member of the Office of the Public Advocate, from moving directly into a utility-side role.

Two neighboring states have already closed this gap. New Hampshire bars commissioners, and the PUC's executive director, finance director, and general counsel, from accepting employment with any utility under the commission's jurisdiction for one year after leaving.⁷⁶ That inclusion of senior staff, not just the commissioners who cast votes, matters given how much substantive work in a rate case runs through staff before it ever reaches a commissioner's desk. Massachusetts goes a step further, combining an employment ban with a lobbying

⁷² 5 M.R.S. §9055, Maine Revised Statutes, <https://legislature.maine.gov/statutes/5/title5sec9055.html>.

⁷³ Cal. Code Regs. tit. 20, §8.2 ("Rule 8.2"), <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/administrative-law-judge-division/documents/rules-of-practice-and-procedure-may-2021.pdf>; Cal. Pub. Util. Code §1701.3, https://leginfo.ca.gov/faces/codes_displaySection.xhtml?lawCode=PUC§ionNum=1701.3.

⁷⁴ 83 Ill. Adm. Code §§200.40, 200.710, <https://www.ilga.gov/commission/icar/admincode/083/08300200sections.html>.

⁷⁵ 5 M.R.S. §18(3), Maine Revised Statutes, <https://legislature.maine.gov/statutes/5/title5sec18.html>.

⁷⁶ N.H. Rev. Stat. Ann. §363:12-b, <https://gc.nh.gov/rsa/html/XXXIV/363/363-12-b.htm>.

ban in a single one-year restriction on former Commonwealth utilities commission members, closing both halves of the revolving-door problem, employment and advocacy, in one statute.⁷⁷

Minnesota's model remains the most comprehensive of the group. State law bars commissioners and senior staff from accepting employment with a rate-regulated entity for one year after leaving, bars regulated entities from offering them employment, and gives the attorney general authority to enforce the restriction with civil penalties of up to \$10,000 per violation.⁷⁸ Wisconsin lawmakers introduced legislation in February 2026 that would impose a three-year ban on PSC commissioners taking policymaking, executive, or government-relations jobs at an investor-owned utility or transmission company; the bill did not advance before the session ended.⁷⁹ New Hampshire, Massachusetts, and Minnesota already provide working, enacted models to draw from directly in considering revisions to Maine's statute.

⁷⁷ Mass. Gen. Laws ch. 268A, §8B,

<https://malegislature.gov/Laws/GeneralLaws/PartIV/TitleI/Chapter268A/Section8B>.

⁷⁸ Minn. Stat. §216A.036, <https://www.revisor.mn.gov/statutes/cite/216A.036>.

⁷⁹ 2025 Wis. Assembly Bill 1034, "Relating to: prohibited employment for former members of the Public Service Commission" (introduced Feb. 17, 2026), <https://legiscan.com/WI/bill/SB1034/2025>; 2025 Wisconsin Assembly Bill 1062 (companion, introduced Feb. 26, 2026), <https://legiscan.com/WI/bill/AB1062/2025>; "Rep. Nedweski: Introduces Legislation to Close Utility Revolving Door, Protect Ratepayers," WisPolitics (Feb. 3, 2026),

<https://www.wispolitics.com/2026/rep-nedweski-introduces-legislation-to-close-utility-revolving-door-protect-ratepayers/>; Joe Schulz, "Wisconsin Bill Would Slow the 'Revolving Door' Between Regulators and Utilities," Wisconsin Public Radio (Feb. 10, 2026),

<https://www.wpr.org/news/wisconsin-bill-slow-revolving-door-between-regulators-utilities>.

Part Three: Equipping the MPUC and OPA to Lead

The incoming governor and the Legislature can ensure that commissioners, PUC staff, and the OPA have the resources, structure, and operating flexibility required to reach timely, high-quality decisions and deliver on their statutory mandates.

The Commission and the Office of the Public Advocate face several structural barriers in wielding their existing statutory authority to advance affordability.

First, both organizations face resource and staffing constraints. For example, the OPA impressively established itself as an effective, credible advocate for ratepayers on affordability, with an 11-person staff and budget of only \$3.7 million. Additional resources could help OPA to continue playing this role within the context of an ever-increasing caseload.

Additionally, the Commission is constrained by open meeting laws, which were intended to improve transparency but also effectively prevent commissioners from deliberating with each other, thereby sometimes slowing down and fracturing the decision-making process. Other states, including Alaska, Maryland, Massachusetts, and Pennsylvania, have granted structured exemptions to enable utility regulators to deliberate with each other.⁸⁰

Finally, even where the Commission and the Office of the Public Advocate already have the legal authority to act on affordability, exercising it against well-resourced, incumbent interests carries real professional risk for the people making the call, whether the decision at issue is a routine audit finding or, as with the Commission's November 2025 dismissal of a \$1.4 billion CMP rate request, one of the largest financial decisions in the agency's history. Commissioners are political appointees who are subject to reappointment and legislative confirmation, and a decision that costs a monopoly utility real money can just as easily draw a well-funded campaign against reappointment as it can protect ratepayers. That dynamic rewards caution over substance. The incoming governor and Legislature have an opportunity that goes beyond any single policy mandate: by explicitly and visibly signaling that tough, well-reasoned decisions will be backed rather than second-guessed, they can give commissioners the political support to use the authority they already have with real confidence.

⁸⁰ Alaska Stat. §44.62.310(d)(1), <https://codes.findlaw.com/ak/title-44-state-government/ak-st-sect-44-62-310/>; Md. Code Ann., Gen. Provisions §§3-101(i), 3-103(a)(1)(iii), <https://mgaleg.maryland.gov/mgaweb/site/Laws/StatuteText?article=ggp§ion=3-101&enactments=false> (and §3-103 at the equivalent URL); Mass. Gen. Laws ch. 30A, §18, <https://malegislature.gov/Laws/GeneralLaws/PartI/TitleIII/Chapter30A/Section18>; 65 Pa. Cons. Stat. §708(a)(5), <https://www.legis.state.pa.us/WU01/LI/LI/CT/HTM/65/65.HTM>.

None of the reforms envisioned in this Part require expanding what the Commission or the OPA is already allowed to do. They are about removing self-imposed or historical constraints on wielding their existing authority: giving commissioners room to actually deliberate; giving them technical support that answers to them directly; building the career pipeline and compensation structure that keeps regulatory expertise in Maine rather than exporting it to the very companies the Commission regulates; and giving the Commission a structured, lower-stakes format (similar to Connecticut's Innovative Energy Solutions sandbox, which the agency stood up on its own initiative) to test new ideas before they are litigated in a full rate case.

Some of these changes are within the governor's own authority, such as how appointments are made and who is appointed, what priorities and expectations accompany the appointees, and what compensation and staffing levels are proposed in the budget. Others, including reforms to Maine's open meetings law and the qualifications and requirements for commissioner candidates, will require legislation the governor can champion alongside the Legislature.

Protect commissioners' ability to act — Maine's commissioners already have broad authority to act on issues of energy affordability under existing law. That authority tends to get used most fully and confidently when commissioners know, going in, that the governor's office expects and supports its full use, rather than leaving each commissioner to weigh, case by case, whether an assertive use of discretion will be read as regulatory overreach. The incoming governor can supply exactly that certainty through the appointment (or reappointment) process by telling nominees directly, and saying so publicly at the nomination and confirmation stage, that the proactive use of existing authority to advance consumer-centric affordability outcomes is expected and will be publicly backed, rather than something commissioners need to wait for a specific legislative mandate to justify.

Let commissioners deliberate with each other — Under Maine's open meeting laws, once a quorum of commissioners convenes to discuss a pending case, that discussion generally has to happen in public, which in practice means commissioners rarely test their reasoning against each other before a decision is final. That can slow proceedings down, as each commissioner works through a case largely on their own, and it can produce final orders that read like three separate analyses stapled together rather than one coherent decision. Other states have concluded that quasi-judicial decision-making warrants a different rule than ordinary government business: Alaska, Maryland, Massachusetts, and Pennsylvania all exempt a board or commission's quasi-judicial deliberations from their open

meeting laws.⁸¹ Maine's Legislature could adopt a similarly narrow exception limited to case deliberations, paired with a requirement that the Commission give public notice that a deliberation session occurred and that its written order lay out the Commission's reasoning in full, preserving accountability without forcing every exchange between commissioners into open session before they have had the chance to benefit from each other's rationales and expertise.

Give commissioners dedicated advisory capacity that reports directly to them —

In contrast to other states, Maine's commissioners do not have advisors or appointed staff to help them keep assigned proceedings on track or to navigate political, legal, and strategic challenges. Instead, they rely entirely on career technical staff who manage large workloads outside of any advisory support they may provide to commissioners. Other state commissions build in this capacity deliberately. For example, Maryland law requires its Public Service Commission to hire personal staff for each commissioner "to provide advice, draft proposed orders and rulings, and perform other personal staff functions."⁸²

Maine's next governor and Legislature could fund a similar, right-sized model: new positions either appointed to advise specific commissioners or shared advisory staff supporting all commissioners (or some combination of the two), distinct from the career staff who serve the Commission as an institution.

Establish a robust candidate pipeline for the MPUC and the OPA — Maine, like other similarly populated states, can sometimes face a narrow pool of candidates that possess both deep utility-regulatory experience and already reside in the state. When vacancies arise at either the MPUC commissioner level or at the Public Advocate position, this can sometimes lead to a scramble that can be avoided by building a bench in advance. An incoming governor can get ahead of this by beginning to identify and cultivate promising candidates well before a vacancy occurs or a term expires, which may include a fulsome consideration of the incumbent. Other opportunities include vetting candidates from the MPUC and OPA's existing career staff, from Maine's legal and engineering community, and from out-of-state utility regulators and practitioners who might be recruited, rather than starting the search from scratch once a seat opens. Where a strong candidate lives out of state, the governor and Legislature may consider whether Maine's commissioner confirmation process creates unnecessary friction, which

⁸¹ Alaska Stat. §44.62.310(d)(1), <https://codes.findlaw.com/ak/title-44-state-government/ak-st-sect-44-62-310/>; Md. Code Ann., Gen. Provisions §§3-101(i), 3-103(a)(1)(iii), <https://mgaleg.maryland.gov/mgawebsite/Laws/StatuteText?article=ggp§ion=3-101&enactments=false> (and §3-103 at the equivalent URL); Mass. Gen. Laws ch. 30A, §18, <https://malegislature.gov/Laws/GeneralLaws/PartI/TitleIII/Chapter30A/Section18>; 65 Pa. Cons. Stat. §708(a)(5), <https://www.legis.state.pa.us/WU01/LI/LI/CT/HTM/65/65.HTM>.

⁸² Md. Code Ann., Pub. Util. Cos. §2-108(d)(7), <https://mgaleg.maryland.gov/mgawebsite/Laws/StatuteText?article=gpu§ion=2-108&enactments=false>.

may be addressed, for example, by a short, defined transition window for a newly appointed commissioner to relocate, a modification that would meaningfully widen the pool without compromising accountability to Maine ratepayers.

Additionally, in developing a robust candidate pipeline, the governor may wish to further consider the qualifications of a desirable candidate. Working with the Legislature to codify baseline qualifications could further strengthen the pipeline of candidates. Maine currently imposes no substantive expertise requirement on its commissioners. In considering new legislation, the governor and the Legislature could look to Massachusetts, which requires that its utility commissioners have background or expertise in electricity or natural gas matters,⁸³ or to Minnesota's more flexible approach of directing the governor to give preference to candidates with backgrounds in law, engineering, accounting, finance, the physical or natural sciences, agriculture, or natural resources, as well as candidates representative of the general public,⁸⁴ to help ensure the Commission's bench always includes the technical grounding these cases demand.

Ethics and conflict-of-interest rules are worth revisiting alongside qualifications. Connecticut's Legislature considered, but did not enact, a 2025 bill that would have barred anyone who was an executive of a company that had received a notice of violation from the Connecticut Public Utilities Regulatory Authority, or who had been an executive or principal of a company that had litigated against the commission, from serving as a utility commissioner.⁸⁵ Maine's Legislature does not need to adopt that exact standard, but it could use this unfinished effort as a starting point for its own conflict-of-interest rules governing who may serve as a commissioner.

Taken together, a deliberate recruitment pipeline, clear qualifications, and updated conflict-of-interest rules are not three separate reforms but three parts of the same job: ensuring that whoever Maine turns to next to fill these seats is both capable of doing the work and free of divided loyalties while doing it. The next governor can work with the Legislature to champion these reforms.

Resource the PUC and OPA adequately — This reform is multifold.

On competitive salaries. To stem the loss of top talent to regulated utilities or adjacent entities (e.g., lobbying or consulting firms), the Legislature and PUC can collaborate to offer more competitive salaries to commissioners and senior PUC staff. Commissioner pay in Maine is pegged by statute to Maine's judicial salaries,

⁸³ Mass. Gen. Laws ch. 25, §2, <https://malegislature.gov/Laws/GeneralLaws/PartI/TitleII/Chapter25/Section2>.

⁸⁴ Minn. Stat. §216A.03, subd. 1, <https://www.revisor.mn.gov/statutes/cite/216A.03>.

⁸⁵ S.B. 1531, "An Act Concerning Public Utility Transparency and Accountability and Proceedings of the Public Utilities Regulatory Authority," 2025 Gen. Assemb., Reg. Sess. (Conn.) (reported favorably by the Government Administration and Elections Committee, 13–6, Mar. 27, 2025) (not enacted), <https://www.cga.ct.gov/2025/TOB/S/PDF/2025SB-01531-R00-SB.PDF>.

with the chair paid the same as the chief justice of the Superior Court and other commissioners paid the same as associate justices.⁸⁶ That is a defensible floor for a demanding, quasi-judicial role, but it means commissioner pay tracks judicial salary trends rather than what a comparable position in the regulated industry might offer, and the Legislature should periodically revisit whether that peg still reflects a competitive salary for the job.

On adequate headcount. To ensure adequate staffing at both organizations, the Legislature should authorize a budget increase for OPA and collaborate with PUC leadership to understand whether and where additional staff capacity may be needed. The Commission has grown to 80 staff as of its most recent legislative session, more than seven times OPA's complement of 11, even as both organizations face a growing docket of affordability-related proceedings.⁸⁷ Both organizations are funded through assessments on utilities' in-state revenue rather than general tax dollars.⁸⁸

On specialized external expertise. Resourcing adequately is about more than headcount, though. Both organizations also need money to hire outside experts for complex proceedings — modeling a utility's cost-of-capital claims, a distribution system plan, or storm-response performance takes specialized expertise that no in-house staff can cover for every case. A modest, dedicated consultant budget would let the MPUC and OPA staff bring in required outside expertise when a case demands it, rather than conceding technical ground by default. Minnesota's approach is instructive: its Legislature authorized the public utilities commission to order a utility to reimburse qualifying nonprofits and tribal governments for their reasonable costs of participating in a proceeding, capped on a sliding scale from \$100,000 to \$1.25 million annually depending on the utility's size.⁸⁹

On independent modeling capacity. Nor is analytical capacity only a staffing question. Utilities file rate cases, cost allocation studies, and resource plans built on sophisticated financial and engineering models, and a Commission or Public Advocate that lacks the tools to test those models independently is stuck evaluating the utility's assumptions on the utility's own terms. Researchers who study state utility commissions have identified exactly this problem — a structural information asymmetry between utilities and the PUCs that regulate them — and have recommended that commissions invest directly in their own technical expertise and modeling access rather than depending entirely on what a utility chooses to

⁸⁶ 2 M.R.S. §6-A, Maine Revised Statutes, <https://legislature.maine.gov/statutes/2/title2sec6-A.html>; 4 M.R.S. §102, Maine Revised Statutes, <https://legislature.maine.gov/statutes/4/title4sec102.html>.

⁸⁷ Maine Public Utilities Commission, 2025 Annual Report (Feb. 1, 2026), <https://www.maine.gov/mpuc/sites/maine.gov/mpuc/files/inline-files/2025%20Annual%20Report%20Final.pdf>.

⁸⁸ 35-A M.R.S. §116, Maine Revised Statutes, <https://legislature.maine.gov/statutes/35-A/title35-Asec116.html>.

⁸⁹ Minn. Stat. §216B.631, <https://www.revisor.mn.gov/statutes/cite/216B.631>.

submit.⁹⁰ Maine's incoming governor should work with the Legislature to ensure that modeling software, data licenses, and the training to use them are viewed as part of the same “adequate resourcing” that OPA and PUC staffing requires, not an afterthought to headcount.

On an external review of the MPUC's organizational structure. Beyond individual tools and licenses, the Legislature should periodically assess whether the Commission's staff structure and in-house technical capacity match its workload. Maine's State Government Evaluation Act already schedules the Commission for periodic legislative review,⁹¹ but these reviews have not always assessed the structure of the agency. Moving forward, the review process could specifically assess in-house modeling capacity, which is increasingly imperative in a specific set of recurring, technical proceedings, including integrated grid planning, non-wires alternative evaluations, and default supply portfolio management, among others.

Further, the Legislature should consider retaining an independent external resource to conduct such an evaluation, comparing the structure of the agency to others across the country and documenting best practices. Colorado offers one model worth studying: a dedicated Research and Emerging Issues unit within its Commission's policy division, tasked with tracking and analyzing issues that cut across individual dockets rather than being tied to any single case.⁹²

Maine is well positioned to implement staffing recommendations that emerge from this review process, because it has a durable funding source for PUC staffing: an assessment on the utilities that the agency regulates. The question for the incoming governor and Legislature is whether that existing mechanism is calculated to support this kind of standing technical capacity, not whether a new funding source needs to be invented.⁹³

Consider a regulatory sandbox for grid innovation — Rather than litigating every new idea through a full rate case, Maine could give utilities and outside innovators a structured, time-limited process to pilot new technologies and business models under regulatory oversight. Connecticut's Public Utilities Regulatory Authority (PURA) created a model for this with its Innovative Energy Solutions (IES) program,

⁹⁰ Jessie Ciulla and Cory Felder, “The Untapped Potential of Public Utility Commissions,” RMI (Jul. 12, 2021), <https://rmi.org/the-untapped-potential-of-public-utility-commissions/>.

⁹¹ 3 M.R.S. §§955–959, Maine Revised Statutes, “State Government Evaluation Act,” <https://legislature.maine.gov/doc/4913> (scheduling the Public Utilities Commission for periodic review by the Joint Standing Committee on Energy, Utilities and Technology).

⁹² Colorado Public Utilities Commission, “Research and Emerging Issues,” <https://puc.colorado.gov/rei>; Rocky Mountain Institute, “The People Element: Positioning PUCs for 21st-Century Success” (Jan. 2022), https://rmi.org/wp-content/uploads/2022/01/the_people_element_positioning_pucs_for_21st_century_success.pdf.

⁹³ 35-A M.R.S. §116, Maine Revised Statutes, <https://legislature.maine.gov/statutes/35-A/title35-Asec116.html>.

established in March 2022 as part of a broader grid-modernization proceeding.⁹⁴ IES accepts competitive proposals from utilities and third-party innovators alike, awards up to \$5 million per selected project, and gives each one 12 to 18 months to demonstrate results before any decision is made about scaling it up.⁹⁵ A neutral, PURA-appointed program administrator and an advisory council of stakeholders screen and monitor the projects, which keeps the process insulated from the adversarial dynamics of a normal rate case.⁹⁶ A similar sandbox effort at the MPUC, designed to test ideas like targeted non-wires alternatives or new customer-affordability tools on a defined timeline and budget, could let good ideas prove themselves before they are litigated, with the results feeding back into ordinary ratemaking rather than starting from scratch each time.

⁹⁴ Conn. Pub. Utils. Regul. Auth., Decision, Docket No. 17-12-03RE05, *Investigation into Distribution System Planning of the Electric Distribution Companies — Innovative Technology Applications and Programs* (Mar. 30, 2022); Press Release, Conn. Pub. Utils. Regul. Auth., “PURA Establishes the Innovative Energy Solutions Program” (Mar. 30, 2022),

<https://portal.ct.gov/pura/press-releases/2022/pura-establishes-the-innovative-energy-solutions-program>.

⁹⁵ Connecticut Innovative Energy Solutions, Program Overview, <https://ct-ies.com/>.

⁹⁶ Conn. Pub. Utils. Regul. Auth., Innovative Energy Solutions Program, <https://portal.ct.gov/pura/electric/office-of-technical-and-regulatory-analysis/clean-energy-programs/innovative-energy-solutions-program>.

Part Four: Supporting Legislative Oversight

The following strategies could support the Legislature's oversight of the Commission and the utilities it regulates.

Legislatures that engage proactively with utility regulation, rather than reacting to a single rate case or crisis, get real results by shaping the rules and incentives public utilities commissions and regulated utilities operate under long before an issue reaches a hearing room. They also build credibility to act quickly when something goes wrong.

Maine's own Legislature has already shown what leadership on utility affordability and accountability can look like in practice, from the 2026 regional transmission organization law to earlier utility accountability legislation.⁹⁷ But that record has been built session by session, often around whichever utility controversy is most visible at the time, rather than through standing tools that would let legislators engage consistently and proactively regardless of whether utilities are in the political spotlight. That pattern carries a real cost beyond inefficiency: a narrow, reactive bill drafted to solve last year's controversy can lock in a specific formula, deadline, or process that fit the facts of one moment and becomes an awkward constraint on the Commission's judgment when circumstances differ, especially once several such provisions accumulate on top of one another across sessions. Structural guardrails, by contrast, give the Commission durable standards it can apply consistently as circumstances change, rather than a growing patchwork of one-off fixes that each demand their own separate reading of legislative intent. Maine's Legislature is also a part-time, citizen legislature with term limits, which makes durable, structural tools especially valuable since they let institutional capacity persist even as individual members move on.

The reforms below are designed to build exactly that kind of durable capacity: they seek to equip Maine's Legislature with better information as a matter of routine rather than crisis, structured expertise that does not reset every time committee membership turns over, and enforcement tools with real teeth. Providing rigorous oversight of the MPUC and the utilities it regulates does not require legislators to become utility-regulation experts themselves; it requires the institutional scaffolding that lets a citizen legislature exercise real oversight.

The incoming governor can support many of these reforms directly, either by proposing legislation or by clearly articulating priorities and allotting the necessary

⁹⁷ LD 2038, "An Act to Require Maine Transmission and Distribution Utility Participation in a Regional Transmission Organization," 132nd Maine Legislature (enacted Apr. 6, 2026), https://legislature.maine.gov/legis/bills/display_ps.asp?LD=2038&snum=132; see also LD 1959, discussed *infra*.

resources to achieve them; others will require the Legislature to act on its own initiative, with the governor's public backing.

Require the MPUC to report to the Legislature annually on key cost and rate drivers — A standing annual reporting requirement, inclusive of proposed actions to control costs and rates, would give legislators a regular, early window into evolving trends affecting CMP and Versant rates, as well as an opportunity for legislators to hold commissioners accountable for outcomes.

California's Senate Bill 695 process offers a workable and already-tested model to accomplish this objective.⁹⁸ Maine could adopt a similar statutory reporting requirement, so the Commission is affirmatively directed each year to explain in plain language what is driving CMP's and Versant's rates and what actions, within the Commission's existing authority or requiring new legislation, could control them. Beyond its direct value to legislators, this kind of report offers a natural, recurring opportunity for the Energy, Utilities and Technology Committee to hear directly from the Commission outside the pressure of a specific pending rate case, and for legislators to question commissioners regarding the outcomes the report describes.

Give the Legislature real tools to vet Commission nominees — Confirmation hearings for utility commissioners are often treated as formalities, and whether a nominee's record on ratepayer issues, ethics commitments, or conflicts of interest gets real scrutiny tends to depend on which individual legislators happen to think to ask about it in the moment, rather than on any standard practice the committee follows for every nominee. Research compiled by the National Association of Regulatory Utility Commissioners (NARUC) on legislative-commission engagement describes this dynamic playing out across states generally, with even experienced legislators advising incoming colleagues simply to "prepare themselves" and "be ready to ask the hard questions," rather than pointing to any standing tool that does supports their preparation.⁹⁹

A standing bank of vetting questions, developed and maintained by the Legislature's own nonpartisan Office of Policy and Legal Analysis (OPLA) in consultation with the Office of the Public Advocate and outside experts, would give every Energy, Utilities

⁹⁸ California Public Utilities Commission (CPUC), "2025 Senate Bill 695 Report - Report to the Legislature on Actions to Limit Utility Cost and Rate Increases Pursuant to Public Utilities Code Section 913.1" (Sept. 2025), https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/office-of-governmental-affairs-division/reports/2025/2025-sb-695-report_093025.pdf; Senate Bill (SB) 695 requires California's investor-owned utilities to file annual reports identifying the drivers of their cost and rate increases and recommending measures to limit them, which the California Public Utilities Commission then compiles into its own annual report to the Legislature, alongside the Commission's own recommendations for legislative or regulatory action.

⁹⁹ National Association of Regulatory Utility Commissioners, "Engagement between Public Utility Commissions and State Legislatures," NCEP Mini Guides, <https://pubs.naruc.org/pub/83C8367C-D538-F18E-A92F-DC638F5E07E9>.

and Technology Committee member — regardless of who happens to sit on the committee that year — the same baseline set of questions to draw from for every MPUC and OPA nomination, covering ethics commitments and conflicts of interest, revolving-door risk, and substantive positions on ratemaking and affordability.¹⁰⁰ OPLA is the natural home for this tool given that it already provides nonpartisan analysis to the Joint Standing Committees. At present, OPLA plays no part in the nomination hearing process, despite being a trusted and nonpartisan partner in virtually all other matters before legislative committees. As a result, new legislators especially (about one-third of the committee in a typical year) may be left adrift. Pairing the question bank with direct coaching from OPLA staff on how to conduct a substantive confirmation hearing, distinct from the broader ratemaking fundamentals training proposed in the next recommendation, would help committee members turn a good question bank into a real, probing hearing rather than a formality.

Fund a standing legislator education program on utility regulation fundamentals

— Several states already treat legislator education as a routine part of the regulatory relationship rather than a one-time orientation, giving legislators a chance to build real fluency in utility regulation before a rate case or crisis forces them to learn it under pressure. Commissioners in Vermont and Washington each offer a standing "PUC 101" briefing to their legislative oversight committees at the start of every session, and Minnesota's commission does the same every two years for newly elected members, walking new and returning members through what the commission does, what it does not do, and how ratemaking actually works.¹⁰¹ Maine's Commission and OPA leadership already engage constructively with the Legislature in this way on an ad hoc as well as biennial basis,¹⁰² but given the Legislature's term limits, a high-level, commissioner-led briefing is not enough to sustain real technical fluency across the committee from one session to the next.

The incoming governor could work with the Legislature to fund a standing, formalized version of this model, potentially housed at the University of Maine System or delivered in partnership with the Commission and OPA, that provides new Energy, Utilities and Technology Committee members with structured training on ratemaking, integrated grid planning, and utility financial statements at the start of each term. This would pair naturally with the standing bank of vetting questions proposed above for EUT Committee members to use during MPUC and related confirmation hearings. The training would give legislators the baseline knowledge

¹⁰⁰ Office of Policy and Legal Analysis, Maine State Legislature, <https://legislature.maine.gov/opla/>.

¹⁰¹ National Association of Regulatory Utility Commissioners, "Engagement between Public Utility Commissions and State Legislatures," NCEP Mini Guides, <https://pubs.naruc.org/pub/83C8367C-D538-F18E-A92F-DC638F5E07E9>.

¹⁰² EUT Orientation Materials and Presentations - 132nd Legislature, <https://legislature.maine.gov/eut-orientation-materials-and-presentations-132nd-legislature>.

of the core criteria and issues for evaluating nominees, while the question bank would give them a concrete tool for asking them.

Bolster the utility-sector whistleblower program — Utility employees and contractors are often in the best position to know when a company is misrepresenting its costs, storm response, or system conditions to regulators. But whether they share that information with regulators or lawmakers depends on whether they feel the risk of coming forward is worth taking. Providing a credible financial incentive, paired with real protection from retaliation, is what turns that knowledge into actionable information for both the Legislature and the Commission.

Maine already has a foundation for utility whistleblower protection: the 2022 law that emerged from Governor Mills's utility accountability push, LD 1959, extended retaliation protections to utility employees and guaranteed their right to testify before the Commission.¹⁰³ What that law does not include is (1) anonymity or (2) compensation for the enormous risk a whistleblower takes, potentially jeopardizing their entire career. Both of these ingredients are present in the whistleblower program of the U.S. Securities and Exchange Commission, to protect shareholders. In June 2025, the Senate passed a bill that would have added an SEC-style¹⁰⁴ payment of 10 to 30 percent of any administrative penalty or ratepayer savings clearly attributable to a utility whistleblower's report, but the House then narrowly rejected it.¹⁰⁵ Maine does not need to design this reform from scratch; it needs to finish what one chamber has already started.

This gives the incoming governor a running start rather than a blank page. The governor's office could work directly with the prior bill's sponsors and with House members who voted against it to understand what specifically drove the opposition and build the coalition needed to get a similar bill across the finish line. Ultimately, the Legislature should prioritize the adoption of SEC-style anonymous reporting, allowing for a 10 to 30 percent award of sanctions collected.

¹⁰³ Randy Billings, "House Democrats reverse course and Legislature passes utility accountability bill," Portland Press Herald (Apr. 20, 2022), <https://www.pressherald.com/2022/04/20/house-democrats-reverse-course-support-mills-utility-accountability-bill/>.

¹⁰⁴ U.S. Securities and Exchange Commission, "Whistleblower Program," <https://www.sec.gov/enforcement-litigation/whistleblower-program>.

¹⁰⁵ LD 1963, "An Act To Protect and Compensate Public Utility Whistleblowers" (2025), which also included a confidential Commission-run hotline for anonymous reporting and extended retaliation protections to contractors as well as employees, passed the Senate 20-14 in June 2025 but died in the House, 68-78. LD 1963, "An Act To Protect and Compensate Public Utility Whistleblowers" (SP 770), 132nd Maine Legislature (2025), bill text, <https://legislature.maine.gov/legis/bills/getPDF.asp?paper=SP0770&item=1&snum=132>; see also "Bill tracking in Maine — LD 1963 (132nd Legislature)," FastDemocracy, <https://fastdemocracy.com/bill-search/me/132/bills/MEB00015227/> (documenting Senate passage 20-14 on June 16, 2025, and House rejection 68-78 on June 17, 2025).

Revive a standalone "unfit to serve" franchise revocation statute — Maine's ratepayers cannot fire CMP or Versant the way they could a private business that consistently disappointed them; a captive customer base is precisely what makes real accountability so hard to enforce, and precisely what motivated Maine and other states to bring utilities under franchise-based regulation in the first place. Franklin Roosevelt made a version of this case in 1932, describing the public's right to build a competing public utility as a "birch rod in the cupboard,"¹⁰⁶ kept in reserve specifically so it would rarely have to be used. The credible possibility of a serious consequence, not constant intervention, is what disciplines a monopoly that customers cannot otherwise discipline by walking away.

Maine has already done much of the hard policy work needed to define what "unfit to serve" should mean for a utility. Both the 2021 legislative proposal and the 2023 Pine Tree Power referendum articulated detailed, specific criteria covering reliability, customer satisfaction, rates, outsourcing, foreign ownership, and shareholder profits, directing the Commission to find a utility unfit if it met four or more of eight such benchmarks.¹⁰⁷

Nor would reviving this idea mean inventing a new regulatory concept: Connecticut and New York already operate comparable franchise-revocation statutes, and neither ties revocation to a mandatory sale to a new public utility. Connecticut law allows its regulator to revoke a utility's franchise if the company fails to provide adequate service for five or more years, following a hearing triggered by the regulator, a municipality, or a petition from as little as 5 percent of affected customers, and then to award the franchise to any qualified provider, public or private, that can demonstrate an immediate need to serve.¹⁰⁸ New York's Public Service Law similarly allows its commission to revoke or modify a combined electric and gas utility's certificate for repeated violations demonstrating a failure to provide safe and adequate service, after considering whether an alternative provider exists and can serve the public interest.¹⁰⁹

The incoming governor should urge the Maine Legislature to reintroduce the "unfit to serve" franchise standard as a standalone accountability bill, which would let legislators debate the underlying accountability criteria on their own merits. A credible-but-rarely-used remedy of this kind is not primarily a tool for taking a

¹⁰⁶ Franklin D. Roosevelt, "Campaign Address in Portland, Oregon, on Public Utilities and Development of Hydro-Electric Power," The American Presidency Project, UC Santa Barbara (Sept. 21, 1932), <https://www.presidency.ucsb.edu/documents/campaign-address-portland-oregon-public-utilities-and-development-hydro-electric-power>.

¹⁰⁷ "Maine Question 3, Pine Tree Power Company Initiative (2023)," Ballotpedia, [https://ballotpedia.org/Maine_Question_3_Pine_Tree_Power_Company_Initiative_\(2023\)](https://ballotpedia.org/Maine_Question_3_Pine_Tree_Power_Company_Initiative_(2023)).

¹⁰⁸ Conn. Gen. Stat. § 16-10a, "Revocation of franchises. Procedure. Reassignment," Connecticut General Statutes, <https://law.justia.com/codes/connecticut/2005/title16/sec16-10a.html>.

¹⁰⁹ N.Y. Pub. Serv. Law § 68(2), "Certificate of Public Convenience and Necessity," New York Consolidated Laws, <https://law.justia.com/codes/new-york/pbs/article-4/68/>.

utility over; it is a tool for making sure that step is never actually necessary. The value of a birch rod in the cupboard comes from everyone knowing it is there, not from how often it gets used.

Revisit and strengthen enforcement of the 2023 political spending ban —

Ratepayers have no way to opt out of funding a utility's political and public-relations spending once rate recovery for it is built into their bill, which means a company can use captive customers' own money to help shape the very policy debates, legislative races, or referendum campaigns that determine what those same customers pay. Maine's 2023 law¹¹⁰ restricting utilities from charging ratepayers for political and public-relations spending was a step forward on this front, and the Commission has continued to build on it, including a 2024 rulemaking that added new reporting requirements and clarified what counts as permitted spending.¹¹¹ But that same rulemaking preserved a carve-out for "educational expenditures," and advocates have raised a notable concern that Maine's underlying rules on utility political spending have not been meaningfully updated since the late 1980s, predating both the Citizens United decision and the modern scale of utility-funded referendum campaigns like the 2023 Pine Tree Power vote.¹¹²

California's recent efforts to end the use of ratepayer funds for lobbying efforts offer a model for future efforts in Maine. Its 2025 Ratepayer Protection Act, signed into law that October, is the most complete and far-reaching of the roughly dozen state laws restricting utility political spending recovery enacted since 2023. It is the first to require the state's utility regulator, rather than simply denying cost recovery case by case, to impose financial penalties on violations, and it pairs that enforcement mechanism with annual public reports requiring utilities to itemize lobbying, advertising, and influence spending and to identify the outside vendors

¹¹⁰ LD 325, "An Act to Require Transparency in Public Utility Advertising Expenditures," 131st Maine Legislature (2023), enacted as P.L. 2023, ch. 286, codified at 35-A M.R.S. §302, <https://legislature.maine.gov/statutes/35-a/title35-Asec302.html>.

¹¹¹ Peter McGuire, "New rule adds restrictions on Maine utilities' political spending," Maine Public (Sept. 5, 2024), <https://www.mainepublic.org/climate/2024-09-05/new-rule-adds-restrictions-on-maine-utilities-political-spending>.

¹¹² *Id.*

involved.¹¹³ In 2026, the California Legislature passed a follow-on bill, Assembly Bill (AB) 2065, which specified the penalty structure.¹¹⁴

Other states offer workable models too, including 2023 laws enacted in both Colorado and Connecticut. Connecticut regulators have denied more than \$617,000 in improperly claimed political costs and protected ratepayers from roughly \$10 million in utility political spending overall, while Colorado's law has saved Xcel Energy's gas customers alone at least \$775,000 a year — evidence that even incremental restrictions translate into real savings once they are enforced.¹¹⁵

Maine's next governor, working with the Legislature, could close the educational expenditures carve-out, or at minimum require utilities to publicly itemize and justify spending claimed under it. Maine's leaders can pair that fix with a defined penalty structure modeled on California's approach along with dedicated enforcement funding, so that violations carry real consequences rather than relying on after-the-fact public pressure. Implementation of the 2023 law's core intent (that ratepayers should not unknowingly fund a utility's side of a political campaign) has lagged the statute's own ambition, and closing that gap does not require relitigating the underlying policy, only enforcing it.

Give Maine's existing utility statutory mandates teeth — Bundling statutory provisions targeting utility regulation with specific implementation requirements helps new legislative directives translate into practice as quickly and smoothly as possible. These requirements could include a deadline, a designated reviewer, and a defined consequence for falling short, giving the executive branch, the Commission, and outside stakeholders something concrete against which to judge the process. In doing so, the Commission can and should be consulted regarding the feasibility of achieving deadlines within available resources, and whether any of the legislatively imposed requirements may inadvertently impede the policy's effective implementation.

For example, Maine's own environmental justice assessment requirement, which has included few implementation requirements and has largely gone unused since

¹¹³ Stephanie Chase, "California passes bill curbing utilities' use of ratepayer money for political spending," Energy and Policy Institute (Sept. 16, 2025), <https://energyandpolicy.org/california-limits-utilities-use-of-customer-money-for-political-spending/>; Assemblymember Marc Berman, "Governor Signs Berman Bill to Lower Energy Bills and Hold IOUs Accountable" (Oct. 11, 2025), Office of Assemblymember Marc Berman; AB 1167, "Electrical corporations and gas corporations: rate recovery: political activities and promotional advertising," California Legislature (2025), <https://berman.asmdc.org/press-releases/20251011-governor-signs-berman-bill-lower-energy-bills-and-hold-i-ous-accountable>.

¹¹⁴ Assembly Bill No. 2065, "An act to add Section 748.4 to the Public Utilities Code, relating to public utilities," California Legislature — 2025–2026 Regular Session (Feb. 18, 2026), https://leginfo.ca.gov/faces/billStatusClient.xhtml?bill_id=202520260AB2065.

¹¹⁵ Shelby Green, "Tracking State Legislation to Get Politics Out of Utility Bills," Energy and Policy Institute (May 30, 2025), <https://energyandpolicy.org/tracking-states-getting-politics-out-of-utility-bills/>.

its enactment, offers a useful test case.¹¹⁶ The Legislature could strengthen the assessment requirement by pairing it with its own fixed timeline rather than folding it into the broader grid-planning filing, designating the Office of the Public Advocate or a specific Commission division as responsible for reviewing it against defined criteria and meaningful quantitative metrics, and requiring the Commission to make written findings on whether a utility's assessment meets those criteria and metrics before approving the underlying grid plan. OPA's existing consumer-advocacy mandate makes it a natural home for this review function, building directly on the office's expertise representing residential ratepayers.

Relatedly, advocates have also raised the need for a standalone statutory definition of "environmental justice" tailored to Commission proceedings. The idea has surfaced twice without success — first in joint comments on Maine's intervenor-funding rule in 2022, and again in testimony supporting the Energy Fairness Act in 2025. A separate, broader environmental-justice bill advanced through the Legislature in 2023 but failed for lack of funding.¹¹⁷ In addressing this specific example, the next governor could work with the Legislature to remedy both the definitional and assessment shortcomings.

¹¹⁶ 35-A M.R.S. § 3147(4)(D), "Integrated grid planning," Maine Revised Statutes, requires integrated grid plans to include "an assessment of the environmental, equity and environmental justice impacts of grid plans." The provision sets no independent deadline for completing the assessment, designates no office responsible for reviewing its adequacy, and attaches no consequence if a utility's assessment is thin or perfunctory; the requirement has gone largely unused since its enactment.

<https://legislature.maine.gov/statutes/35-A/title35-Asec3147.html>.

¹¹⁷ Testimony of Steve Clemmer, Director of Energy Research, Union of Concerned Scientists, in Support of LD 1949, "An Act Regarding Energy Fairness," before the Joint Standing Committee on Energy, Utilities and Technology (May 15, 2025) (citing Joint Supplemental Comments on Amendments to the Intervenor and Participant Funding Rule, Chapter 840, Me. P.U.C. Docket No. 2022-00299 (Nov. 21, 2022)), <https://legislature.maine.gov/legis/bills/getTestimonyDoc.asp?id=195571>; LD 1621, "An Act Regarding Environmental Justice," 131st Leg. (Me. 2023), <https://legiscan.com/ME/bill/LD1621/2023>.

Part Five: Empowering the Public and Organizations to Participate

The following strategies could assist the Legislature and the Commission's ongoing efforts to level the playing field for organizations and the public to participate in proceedings and other PUC processes.

A commission that hears from a broad cross-section of ratepayers is more likely to reflect thoroughly considered, consumer-centric outcomes. Across the country, the processes public utilities commissions rely on are not built to enable or encourage broad public participation, and they often leave ratepayers and elected officials alike with a sense of frustration and futility. PUCs remain poorly understood institutions even though they shape the cost and reliability of a basic necessity. A Maine-specific study commissioned by the Office of the Public Advocate found that low-income households in Maine (those earning below 60 percent of the state median income) face a home energy burden of roughly 14 percent of income, more than double the standard 6 percent affordability threshold, with a statewide affordability gap of \$363 million.¹¹⁸ A 2022 report by the Chisholm Legacy Project found that the households bearing the heaviest energy burdens, including low-income households, Black households, and those of older residents on fixed incomes, are consistently the ones with the least influence over the decisions that set their rates.¹¹⁹ This dynamic has particular resonance in Maine, where 23.5 percent of residents are 65 or older (the highest share of any state in the country)¹²⁰ and where residents also bear the highest overall and low-income energy burdens in the nation.¹²¹ The Chisholm report documented that PUC proceedings nationwide are typically conducted in dense technical jargon, with dockets and filings rarely made available in languages other than English, and with meeting schedules that assume time and legal resources most working families do not have — all of which constitute structural barriers rather than any lack of interest on the part of the communities affected.

Organizations intervening on behalf of ratepayers also face two basic asymmetries. First, there is a funding and expertise gap: utilities can spend what they need on

¹¹⁸ VEIC and Beech Hill Research, "Quantifying Maine's Household Energy Burden," prepared for the Maine Office of the Public Advocate and the Electric Ratepayer Advisory Council (Dec. 1, 2024), https://www.maine.gov/meopa/sites/maine.gov/meopa/files/inline-files/VEIC_Maine%20Energy%20Burden%20and%20Affordability%202024_2.pdf.

¹¹⁹ Jacqui Patterson et al., "Who Holds the Power: Demystifying and Democratizing Public Utilities Commissions," The Chisholm Legacy Project (2022), <https://thechisholmlegacyproject.org/wp-content/uploads/2022/11/Who-Holds-the-Power-1.pdf>.

¹²⁰ America's Health Rankings, "Population Age 65 and Older, Maine" (2024 data), https://www.americashealthrankings.org/explore/measures/pct_65plus/ME.

¹²¹ "Energy Burden Across States," Sierra Club (May 2026), <https://www.sierraclub.org/issues/climate/renewable-energy/energy-burden#analysis>.

outside experts and pass the cost on to ratepayers, while the parties representing the public operate under real budget constraints. Second, there is a data gap: utilities have direct, complete access to their own system-planning, financial, and cost-modeling data, while intervenors typically must know precisely what to request during an adjudicated discovery process, sometimes needing to pursue motions to compel production, and often cannot independently replicate or verify certain data or modeling even once they do receive it.

Maine's own regulatory processes, discussed throughout this Part, reflect many of these same structural obstacles, and closing them is squarely within reach. The incoming governor, working in partnership with the Legislature, can champion a set of reforms targeted toward empowering the public and intervenors to participate fully in matters at the PUC that impact their pocketbooks. Some of these reforms may require or benefit from legislative action, while others may reside within the ambit of the MPUC already but may benefit from the support and prioritization of a formal gubernatorial action (e.g., an executive order).

Improve intervenor and participant funding — Maine law authorizes funding for public participation in Commission proceedings, under 35-A M.R.S. § 1310-A¹²² and PUC Chapter 840 rules.¹²³ These rules were revised in 2024, and since then, two intervenors, the first in Maine history, have qualified for funding.¹²⁴ These were Our Power in Docket 2024-00117, and CMP Ratepayers Unite (CMPRU) in Docket 2026-00043. However, the experience of these intervenors shows that hurdles and sticking points still exist and have made Maine's program much less effective than similar programs in other states.¹²⁵

One key concern is resource asymmetry. In the examples above, the amount spent by the utility on its own advocacy and the portion of that cost billed to customers is unknown; meanwhile, the combined resources of the Public Advocate and the funded intervenor appear to have been a small fraction of the utility's resources. To correct or prevent such an imbalance, the Commission should use intervenor compensation to help ensure that captive customers do not pay more for the participation of those supporting rate hikes than for those working to keep rates affordable.

¹²² 35-A M.R.S. § 1310-A, "Intervenor and participant funding," Maine Revised Statutes, <https://www.mainelegislature.org/legis/statutes/35-a/title35-Asec1310-A.html>.

¹²³ "Application Information and Instructions for Intervenor and Participant Funding," Maine PUC website, <https://www.maine.gov/mpuc/about/intervenor-funding>.

¹²⁴ Stephen Singer, "CMP forced to pay public utility advocates in first use of new law," Central Maine (Nov. 21, 2024), <https://www.centralmaine.com/2024/11/21/cmp-forced-to-pay-public-utility-advocates-in-first-use-of-new-law/>.

¹²⁵ FTI Consulting, "State Approaches to Intervenor Compensation," National Association of Regulatory Utility Commissioners (Dec. 2021), <https://pubs.naruc.org/pub/BoD6B1D8-1866-DAAC-99FB-0923FA35ED1E>.

Rate case resource asymmetry is not unique to Maine. Across the U.S., a typical rate case sees far more and better-resourced people on the side working to raise rates. Yet importantly, captive utility customers typically foot the bill for key parties on both sides. For this reason, the Legislature should require a Commission report on what customers paid for each party supporting and opposing the most recent rate case for each Maine IOU, as well as ongoing annual reports of this kind for all future IOU cases.

An additional and significant concern with Maine's new Chapter 840 process is an unfair timeline for Commission approval, which causes a disproportionate burden on those seeking intervenor compensation. In each of the cases cited above, the intervenor was required to operate within the case without any certainty of compensation for two to five months. This meant lawyers, staff, and expert witnesses were devoting significant hours and accumulating costs, not knowing if they would be compensated. Other parties do not bear this burden.

For example, in 2026-00043, Central Maine Power filed its Notice of Intent to File on February 17, 2026, but the order finding CMPRU to be eligible for intervenor compensation was not issued until July 1. At this point, the intervenor was forced to request changes to the case schedule, needlessly complicating the case and further burdening the intervenor to shoulder costs and risks for far too long.

To address the unfair timeline problem, the Commission should streamline Chapter 840 to ensure an order is issued within one month of a party's filing for compensation. At present, if any party objects, there is no shot clock on the Commission's decision, and an intervenor or participant may be forced to wait for many months for resolution. In addition, the Commission should allow petitions both for intervenor status and for intervenor compensation to be filed immediately upon filing the Notice of Intent. Had these two changes been in place in the pending CMP rate case, CMPRU might have known whether it had been funded as early as mid-March, rather than early July.

Finally, and also to increase participation, the Commission should notify the public when a new Notice of Intent to File for a rate adjustment is filed by a Maine IOU, or when any other proceeding is opened, and remind them of the opportunity to file immediately for intervenor or participant compensation.

For perspective, a recent study surveyed intervenor compensation programs across a diverse range of states. A July 2026 study by Environmental Defense Fund and Gridworks, drawing on interviews with more than 60 regulators and advocates across 13 active state programs, found that more than half of those programs now use upfront grants rather than reimbursement, precisely because reimbursement models force participants to front the cost of legal counsel and expert witnesses, sometimes for more than a year after a case concludes, and confirmed that funding

alone is not enough without paired outreach, technical assistance, and procedural guidance.

Michigan's program narrows this gap by setting an approved budget at the start of a case and reimbursing intervenors' costs as they are incurred against it, sparing participants both the wait and the need to repeatedly justify their need as the case proceeds rather than making intervenors wait until the case concludes to be paid anything at all. The payoff is real: state regulators credit intervenor-funded testimony with cutting DTE Electric's proposed 13.9 percent residential rate increase to 6.38 percent in one 2024 case, and negotiating Consumers Energy's \$136 million gas rate request down to \$35 million in another, constituting real ratepayer savings from a program that costs the state only about \$2.1 million a year to run.¹²⁶

Maine's incoming governor should advocate that the Commission and Legislature adopt the Maine-specific measures described above to (1) correct resource asymmetry and (2) prevent delays that deter public participation. Other enhancements derived from the July 2026 study discussed above should also be duly considered.

Promote information symmetry between utilities and the public interest in rate cases — As discussed above, Maine's consumer advocates face immense discovery hurdles and data access challenges during a docket. These hurdles intersect with the financial advantages that regulated utilities have over intervenors; these groups may not have funding or staff to weather lengthy discovery disputes.

CMP's pending rate case illustrates the barrier directly. In that case, the intervenor group CMP Ratepayers Unite had to fight through a lengthy discovery battle just to obtain analysis suggesting CMP's requested return on equity was inflated — and CMP resisted producing it until the Commission's presiding officer ordered the documents released.¹²⁷ Without a codified right to this kind of disclosure, that discovery fight has to be re-fought, docket by docket, by whichever intervenor happens to have the resources to demand it.

Maine law already places the burden of proof on the utility in a rate case, requiring it to show that a proposed rate increase is just and reasonable.¹²⁸ But, as the

¹²⁶ Jolette Westbrook, Veronica Ung-Kono, Janea Scott, and Abby Austin, "How Intervenor Compensation Can Strengthen Utility Commission Decision-Making," Environmental Defense Fund and Gridworks (Jul. 2026), <https://gridworks.org/wp-content/uploads/2026/07/Powering-Participation-How-Intervenor-Compensation-Can-Strengthen-Utility-Commission-Decision-Making.pdf>.

¹²⁷ Delger Erdenesanaa, "Iberdrola must open its books as CMP seeks greater profits in ongoing rate case, utility regulator says," Bangor Daily News (Aug. 5, 2026), <https://www.bangordailynews.com/2026/08/05/politics/state-politics/iberdrola-cmp-maine-utility-regulation/>.

¹²⁸ 35-A M.R.S. § 1314(2), "Burden of proof," Maine Revised Statutes, <https://legislature.maine.gov/statutes/35-a/title35-Asec1314.html>.

example above demonstrates, because Maine's utilities face no direct consequence for failing to sufficiently back up their requests, in practice the burden is shifted to intervenors, who must find the resources to win a document fight before they can even get to the merits of an issue.

Maine's Legislature can give the state's existing burden-of-proof framework real teeth by codifying intervenors' rights to discovery and refining existing legal standards around modeling inputs or other related data necessary to interrogate utility rate hikes. For example, the Legislature could adopt a presumption of imprudence when a third party cannot independently replicate the modeling results provided by a utility seeking to raise its rates. Rather than requiring intervenors to independently reconstruct or fight for a utility's own inputs, as CMP Ratepayers Unite had to do to obtain Iberdrola, S.A.'s (Iberdrola) internal analysis discussed above, the rule would treat a utility's inability or refusal to produce and substantiate the modeling behind a specific cost or rate component as itself sufficient grounds to disallow that cost, unless the utility can otherwise prove it was reasonable. Codifying this presumption would not require rewriting Maine's existing burden-of-proof framework; it would make explicit what should already follow from it.

In short, combining the Chapter 840 intervenor funding fix with a statutory right to discovery parity and replicable modeling and data disclosures are crucial steps to address the persistent information asymmetry that exists between regulated utilities, their regulators, and the intervenors seeking to participate fully and effectively on behalf of Mainers.

Establish an energy law clinic at Maine Law — Maine has too few lawyers who can take on utility-regulatory work and no university-based clinic comparable to those that anchor advocacy coalitions in other states. By one available measure, fewer than half a dozen Maine law firms are recognized nationally for energy regulatory law practice, all concentrated in Portland, underscoring how thin the state's bench of utility-regulatory legal expertise really is, especially when taking into account whether these firms may be conflicted out due to their representation of utility clients. The University of Minnesota Law School's Environmental and Energy Law Clinic offers a workable model: students there represent nonprofits and other public-interest clients directly in matters before the Minnesota Public Utilities Commission, from expert testimony to formal comments, building both real advocacy capacity and a pipeline of lawyers with hands-on utility-regulatory experience.¹²⁹

¹²⁹ University of Minnesota Law School, "Environmental and Energy Law Clinic," Course Description, <https://law.umn.edu/course/7012/environmental-and-energy-law-clinic>.

The next governor of Maine can use their substantial convening authority to replicate the Minnesota model here, working with the University of Maine School of Law, the university system, and philanthropic partners to build both durable legal capacity for interventions and a pipeline of lawyers trained in utility regulation.

Expand public witness hearings to more regions and lower the barrier to participation short of full intervention — Holding hearings only in the same, relatively affluent locations year after year effectively excludes participation by the ratepayers least able to manage rate increases. Expanding public comment hearings, as well as voting meetings, to rural and lower-income areas (alongside, not instead of, hearings in Maine's more populous areas) can bring the underrepresented perspectives of Mainers into Commission decisions without reducing the participation opportunities that already work.

Maine's current practice shows the limits of relying on only a couple of hearings: in CMP's pending rate case, the Commission scheduled just two public witness hearings, one in South Portland and one in Lewiston, with none held in CMP's more rural western or interior counties.¹³⁰ The Lewiston hearing nonetheless drew a packed room and testimony from a broad cross-section of ratepayers, including residents on fixed incomes, small business owners, municipal tax collectors, and electrical workers — real evidence of an appetite for participation that additional hearings, not fewer, could capture more fully.¹³¹ The Commission should add public comment hearings in rural and underrepresented regions for every major rate case.

The governor could also encourage the Commission to review and broaden its use of Requests for Investigation (ROI) and non-adjudicatory proceedings, as well as to publish clear guidance on what an ROI can accomplish. These types of non-adjudicatory proceedings can offer a meaningfully lower barrier to entry than a full adjudicatory docket, since an ROI investigates a specific utility or matter without requiring a party to file and litigate a full case. This comes with a tradeoff, though, insofar as the lack of a defined schedule or actionable outcome that generally accompanies these types of proceedings can lead to stakeholder fatigue.

Finally, the governor could encourage the Commission to lean on its rulemaking authority, not just ROIs, whenever an issue is likely to recur across both of Maine's major utilities rather than being unique to one company's facts. Because an ROI is tied to a specific utility or matter, addressing the same issue at both CMP and

¹³⁰ Peter McGuire, "Maine utility regulators to hold hearings on CMP rate proposal," Maine Public (Jun. 8, 2026), <https://www.mainepublic.org/climate/2026-06-08/maine-utility-regulators-to-hold-hearings-on-cmp-rate-proposal>.

¹³¹ Ethan Horton, "CMP rate hike hearing draws protesters, fierce testimony to Lewiston," Sun Journal (Jun. 23, 2026), <https://www.sunjournal.com/2026/06/23/cmp-rate-hike-hearing-draws-protesters-fierce-testimony-to-lewiston/>.

Versant separately would generally still require two investigations rather than one binding standard. The Commission's own 2024 rulemaking restricting utility political spending, which applied uniformly to every regulated utility rather than being litigated company by company, shows what that broader tool of rulemaking can look like in practice.

Invest in public outreach and translation — Most Mainers do not understand what the Public Utilities Commission is, or what it is not; nor do they understand how it differs from the Office of the Public Advocate, which represents the interests of residential and small-business ratepayers. That confusion has real, practical costs, and the stakes are especially high for a Mainer already facing a disconnection threat.

Maine utilities are required to give residential customers only 14 calendar days' written notice before terminating service for nonpayment, so every day spent contacting the wrong office is a day lost from an already narrow window to arrange a payment plan or line up assistance before the shut-off date.¹³² A Mainer in that position might reasonably assume the Public Advocate, given its name, is the office to call, when it is actually the Commission's own consumer assistance division that fields individual complaints and can intervene on a pending disconnection. This confusion is further compounded for the roughly 12,400 Maine residents with limited English proficiency, concentrated among the state's immigrant communities,¹³³ for whom limited materials exist designed for their needs.¹³⁴

Maine's next governor can prioritize ensuring that all residents can understand the basics of the entities designed to safeguard access to essential services like electricity. Massachusetts's Office of the Attorney General offers a workable model. The Office produced a series of multilingual educational videos and hosted a virtual "teach-in" to help residents understand and participate in certain proceedings.¹³⁵ Maine should fund a comparable, sustained outreach effort explaining its own PUC and OPA processes, including workshops on the role of each agency and materials translated for Maine's non-English-speaking communities, through the same

¹³² Code of Maine Rules, tit. 65, ch. 815, § 10(D)(2), "Termination of Service,"

[https://www.maine.gov/mpuc/sites/maine.gov/mpuc/files/inline-files/407c815%20\(1\).pdf](https://www.maine.gov/mpuc/sites/maine.gov/mpuc/files/inline-files/407c815%20(1).pdf).

¹³³ Valerie Lacarte and Colleen Putzel-Kavanaugh, "Maine's Immigrant Communities: Diverse Origins, Characteristics, and Challenges," Migration Policy Institute (2025),

https://www.migrationpolicy.org/sites/default/files/publications/mpi-maine-immigrants-2025_final.pdf.

¹³⁴ A review of MPUC's homepage and Maine OPA's homepage reveals no visible language selector, translation tool, or multilingual resources. See [maine.gov/mpuc](https://www.maine.gov/mpuc) and [maine.gov/meopa](https://www.maine.gov/meopa).

¹³⁵ Christopher Tonnu Jackson, "Putting the Public in Public Utilities Commissions," Issues in Science and Technology (Nov. 29, 2021),

<https://issues.org/public-utilities-commissions-public-participation-energy-regulation/>.

utility-assessment mechanism that already funds both agencies under 35-A M.R.S. §116.¹³⁶

Lower the intimidation factor of the process itself — Even once funding, geography, and language are no longer barriers, the hearing process itself can still keep people away; formal rules of procedure, the presence of utility lawyers and expert witnesses, and the prospect of having one's testimony transcribed into a legal record can be unfamiliar and intimidating, regardless of how legitimate the concerns are that are being raised.

Maine's Office of the Public Advocate currently offers a basic written guide on how to testify at a hearing, which represents a good foundation on which to build.¹³⁷ The OPA could expand this guide to include other opportunities for public participation. Hawaii offers a workable model in "PUC 101," a plain-language guide from the advocacy group Blue Planet Foundation that walks residents through the commission's role and the four main ways to get involved: monitoring dockets, attending hearings, submitting comments, and formal intervention.¹³⁸

Maine can also move beyond written materials, with a set of concrete, low-cost steps such as holding mock hearings so first-time participants know what to expect, public "PUC 101" briefings for residents and for reporters who cover the Commission, and media briefings that explain what is actually at stake in a pending case. None of these steps require legislation; they require a governor's office that prioritizes broad public participation as central to the Commission's legitimacy, committing sufficient resources and political backing to enable the PUC and/or the OPA to pursue such endeavors.

Rebuild the PUC's website and case management system — None of the other reforms in this Part matter much if stakeholders and the media covering a case cannot actually find or follow what is happening in it. Maine's current systems could be improved to better facilitate this type of transparency. For example, the Commission's case docket tool organizes filings, data requests, and public comments into dense, JavaScript-dependent tables with no keyword search, no plain-language guidance, and no clearly visible way to subscribe to updates on a specific case, so stakeholders and reporters following a docket like a pending rate case have to manually recheck the system rather than being notified when something new is filed.¹³⁹

¹³⁶ 35-A M.R.S. § 116, "Funding of the commission," Maine Revised Statutes, <https://legislature.maine.gov/statutes/35-a/title35-Asec116.html>.

¹³⁷ Maine Office of the Public Advocate, "Participating in a Public Hearing," <https://www.maine.gov/meopa/puc-information/participating-in-a-public-hearing>.

¹³⁸ Blue Planet Foundation, "PUC 101: Demystifying the Hawaii Public Utilities Commission," (Jul. 19, 2024), <https://blueplanetfoundation.org/puc-101-demystifying-the-hawaii-public-utilities-commission/>.

¹³⁹ Maine Public Utilities Commission, Case Management System, <https://mpuc-cms.maine.gov/COM.Public.WebUI/>.

Other regulators offer workable models for each piece of this gap. The Federal Energy Regulatory Commission's eLibrary system pairs a subscription feature (which allows any member of the public to receive an automatic email whenever a new document is filed) with a keyword search, so a reporter or advocate can find every filing on a given topic without already knowing the docket number.¹⁴⁰ Michigan's Public Service Commission recently began publishing utility-specific reliability data, including outage frequency and average restoration time by ZIP code, through an interactive public map, evidence that a modernized system can make a commission's underlying data more useful to the public.¹⁴¹

This does not need to be a single, decade-long overhaul. Maine could start by adding easier-to-find docket subscriptions and keyword search to its existing system, building over time toward the kind of public data access Michigan has achieved. The next Maine governor's office can drive this directly by including modest IT modernization funding in the budget proposal, and by making clear that a usable, transparent case docket is not an optional upgrade but a basic precondition for public participation.

¹⁴⁰ Federal Energy Regulatory Commission, "Key Features," eLibrary; "How to eSubscribe," <https://ferc.gov/key-features>; <https://www.ferc.gov/how-to-esubscribe>: FERC's keyword search tool includes Boolean operators so that users can expand or narrow their searches to find the most relevant results.

¹⁴¹ Michigan Public Service Commission, "MPSC expands transparent public access to detailed utility performance data," (Jul. 7, 2026), <https://www.michigan.gov/mpsc/commission/news-releases/2026/07/07/mpsc-expands-access-to-utility-performance-data>.

Part Six: Realigning Utility Incentives with Ratepayer Interests

The following strategies could close the avenues through which monopoly utilities extract excessive profits, shift costs through their own corporate affiliates, and spend ratepayer-funded revenue on excessive executive pay.

A monopoly utility has several levers for extracting value from a captive customer base rather than reinvesting ratepayer funds into the service they're paying for, including (1) an authorized profit margin that can run well above what capital markets actually require; (2) transactions with its own corporate affiliates that move costs onto ratepayers without the scrutiny an arm's-length transaction would receive; and (3) executive compensation set without any real counterparty ever pushing back on the number, oftentimes focused instead on advancing clearly identifiable utility shareholder objectives rather than the public interest. Each of these already has a body of law and regulatory practice treating it as a cost subject to ordinary reasonableness review, not an unreviewable business decision left entirely to the company. These precedents set the stage for further reform.

The reforms in this Part are different in kind from those in Part Four. While Part Four is about building the Legislature's capacity to oversee general utility operations, this Part is about the substance of what a utility is allowed to extract from the ratepayers the utility is ostensibly designed to serve. Several states have shown that regulators can act on these topics within their existing prudency review authority, without waiting on new legislation, while others have codified specific standards or frameworks in statute. Maine has a similar menu of options available across all three areas discussed below.

In all instances though, the incoming governor can work with the Legislature to codify a durable standard that can transcend administrations, moving Maine toward a system where utility profit and executive pay are earned through service to ratepayers rather than granted as a matter of course.

Codify return on equity at the actual cost of capital — Maine ratepayers currently fund an authorized return on equity that a growing body of financial analysis argues sits well above what capital markets require. In Maine, this is not an abstract concern: roughly 12 to 14 percent of a typical ratepayer's monthly bill already flows directly to shareholder profits,¹⁴² and CMP's pending rate case seeks to raise its

¹⁴² Energy and Policy Institute, "EPI Profit Tracker,"
<https://energyandpolicy.org/utilityprofittracker/?utility=central-maine-power&bill=163>;
<https://energyandpolicy.org/utilityprofittracker/?utility=versant&bill=163>.

authorized ROE from 9.35 to 9.8 percent, a change worth an estimated \$61 million a year to equity investors if granted in full.¹⁴³

This Maine-specific dispute is situated against a national backdrop that increasingly sheds light on how out of step authorized utility returns have become. A January 2025 report from the American Economic Liberties Project estimates that the gap between authorized utility ROEs and Wall Street's forecast for long-term returns on the broader stock market costs utility customers on the order of \$50 billion a year, or upwards of \$300 per household, a national estimate that a Maine-specific analysis could refine.¹⁴⁴

There is a legislative fix to address this situation so that regulators and intervenors are not tasked with relitigating the issue on a case-by-case basis, consuming valuable resources that could be better allocated to scrutiny of other aspects of a utility's rate increase request. Specifically, the AELP report recommends barring the risk premium and expected-earnings models outright and directing regulators to adopt binding rules constraining the inputs, growth assumptions, and comparable-utility groups used in the prevailing financial models that remain, so the authorized return tracks what independent capital markets, not utilities' own witnesses, say investors could actually earn on investments of similar risk. In this vein, Pennsylvania's House unanimously passed a bill in June 2026 that would let a utility or the Pennsylvania Public Utility Commission trigger a competitive auction for a portion of a utility's equity financing, with qualified investors bidding the return they would actually require and the resulting "auction-clearing" rate applied to the whole class of equity, rather than continuing to rely on utility-selected financial models to estimate what investors would accept.¹⁴⁵

¹⁴³ Delger Erdenesanaa, "Consumer advocates argue against CMP's requested returns," The Maine Monitor (Aug. 27, 2026), <https://themainemonitor.org/advocates-argue-against-cmp-requested-returns/>.

¹⁴⁴ According to the AELP Report, the utility sector's market-to-book ratio, a standard financial-analysis proxy for the gap between a utility's authorized return and its actual cost of equity, has exceeded 1.0 for three decades and held near 2.0 for the last 15 years, which the report argues implies authorized ROEs have run roughly double the sector's true cost of equity over that period. Comparing authorized ROEs directly to market-based benchmarks, the AELP report finds that the average authorized utility ROE in the first half of 2023 was 9.6 percent, while the average Wall Street forecast for long-term returns on the broader stock market, a materially riskier asset class than a cost-of-service regulated utility, was only 6.7 percent — with even the single highest individual forecast in this survey still falling below the average utility's authorized return. The AELP report attributes part of this gap to two of the four ROE models regulators commonly accept from utility witnesses, the risk premium model and expected earnings analysis, being calibrated to previously awarded ROEs rather than to independently observable market data; both models are used only in utility rate proceedings and nowhere else in finance, a circularity that allows authorized returns to ratchet upward over time independent of what capital markets actually require. Mark Ellis, "Rate of Return Equals Cost of Capital: A Simple, Fair Formula to Stop Investor-Owned Utilities From Overcharging the Public," American Economic Liberties Project (Jan. 2025), <https://www.economicliberties.us/wp-content/uploads/2025/01/20250102-aelp-ror-v5.pdf>.

¹⁴⁵ H.B. 2224, 2025-2026 Reg. Sess. (Pa.), as passed by the Pennsylvania House of Representatives (June 22, 2026), <https://www.palegis.us/legislation/bills/2025/hb2224>; MarketClear, "House Bill 2224 Frequently Asked Questions" (June 26, 2026), https://marketclear.org/pdfs/MarketClear_HB2224_FAQ_6.26.26.pdf.

There is already momentum in Maine behind two approaches to reforming ROE. A pilot version of the Pennsylvania idea described above is already on the table in Maine. In September 2026, the Acadia Center and the Natural Resources Council of Maine jointly recommended that the Commission require competitive bidding for equity on a specific capital project as a test case, to generate real-world evidence on the actual market cost of equity before extending the approach further.¹⁴⁶ Short of a full auction, a Maine ratepayer advocacy group has proposed a lower-lift transparency fix in CMP's own pending rate case, wherein CMP would be required to file, annually, whatever estimate of its own cost of capital its corporate parent uses internally for its audited financial statements, and then reconciling any future requested return on equity against that same internal number.¹⁴⁷ Each approach tests the same basic question – what would investors actually require to hold this risk – against a different source of evidence than the utility's own retained expert.

To ensure the longevity of ROE reform effort across administrations, Maine should adopt one of these approaches by statute, rather than relying on the same disputed methodological questions to be relitigated case by case in every CMP and Versant rate proceeding and could extend the same discipline to Maine's regulated gas and water utilities, which set rates through comparable proceedings. Pairing this fix with the affiliate-transaction reforms discussed below would solve two aspects of the same problem: what utilities are allowed to earn, and what costs they are allowed to earn it on.

Strengthen oversight of utility corporate structure and affiliate transactions –

As utilities are absorbed into larger multinational holding structures (e.g., CMP now sits inside Avangrid, itself wholly owned by Iberdrola), routine transactions between a utility and its corporate affiliates (e.g., shared services, management fees, intercompany "service agreements") create room for Iberdrola to move costs onto Maine ratepayers without the scrutiny a normal rate case would apply. Maine has already seen this dynamic surface in practice: the Office of the Public Advocate's 2024 inquiry into CMP's affiliate service agreements with six other Avangrid utilities, as well as Maine Natural Gas, under which costs for categories such as HR, legal work, equipment, building security, and other functions are divided among the companies using various formulas.¹⁴⁸

¹⁴⁶ Acadia Center and Natural Resources Council of Maine, Joint Comments, Me. P.U.C. Docket No. 2026-00185 (Sept. 18, 2026), <https://media.acadiacenter.org/wp-content/uploads/2026/09/21131810/Joint-Comments-of-Acadia-Center-and-NRCM-in-Response-to-NOI.pdf>, citing Jordan McGillis and Mark Ellis, "Capital Markets Can Solve Surging Power Prices," RealClearEnergy (Oct. 8, 2025).

¹⁴⁷ Testimony of Mark Ellis on behalf of CMP Ratepayers Unite, Me. P.U.C. Docket No. 2026-00043 (filed Aug. 14, 2026), at 59.

¹⁴⁸ Stephen Singer, "CMP costs for 'service agreements' with other utilities under scrutiny," Portland Press Herald (Nov. 12, 2024), <https://www.pressherald.com/2024/11/12/cmp-costs-for-service-agreements-with-other-utilities-under-scrutiny/>.

Maine law already requires Commission preapproval of contracts between a utility and an “affiliated interest,” defined by a 10 percent ownership threshold or, for a lesser stake, a showing of “substantial influence,” and lets the Commission disallow any affiliate payment it finds not in the public interest.¹⁴⁹ But the Public Advocate’s 2024 inquiry suggests that the framework may not be reaching every case as robustly as it could or should. According to the then-Public Advocate’s account during the previous inquiry, the multi-state, multi-affiliate cost-sharing arrangements under review did not undergo a preapproval process by the MPUC. Whether that reflects a gap in how “affiliated interest” is defined (wherein the definition is built around one entity’s stake in another, rather than a cost-sharing pool among several sibling utilities under common ownership) or inconsistent enforcement of existing statutory provisions, this is a question that the Legislature can weigh in on directly.

Other states offer models for closing whichever gap turns out to be the most likely one. Minnesota defines an “affiliated interest” broadly, by common ownership or control rather than a bilateral ownership stake, which would more clearly reach the issue of a cost-sharing pool among sibling utilities.¹⁵⁰ Pennsylvania pairs a comparably broad “substantial influence” standard with a file-and-disclose backstop; a contract that skips filing and documentation is void, and the Commission may still disallow excessive affiliate payments later in a rate case regardless of any earlier approval.¹⁵¹

The incoming governor should encourage the Legislature and the Commission to review whether Maine’s existing “affiliated interest” law reaches multi-party, cross-state shared services arrangements, and if not, to extend it — potentially pairing Minnesota’s broader definition with Pennsylvania’s disclosure-or-void backstop. The same underlying dispute over Avangrid’s corporate-cost allocation to CMP, discussed further in the next bullet from the angle of executive compensation specifically, illustrates exactly why a clear definition and a reliable review mechanism both matter in practice.

Tie executive compensation to affordability outcomes — Executive compensation might look like a minor line item within a nine-figure rate case, but it is a clear example of a cost structured to reward executives for outcomes that matter to shareholders, not for the outcomes that matter to the ratepayers who help foot the bill. A utility company sets its own executives’ pay without any arm’s-length counterparty pushing back on the number, then passes part of that cost directly to

¹⁴⁹ 35-A M.R.S. §707, “Affiliated interests,” Maine Revised Statutes, <https://legislature.maine.gov/statutes/35-A/title35-Asec707.html>.

¹⁵⁰ Minn. Stat. §216B.48, <https://www.revisor.mn.gov/statutes/cite/216B.48>.

¹⁵¹ 66 Pa. Cons. Stat. §§2101–2106, “Relations with Affiliated Interests,” <https://codes.findlaw.com/pa/title-66-pacsa-public-utilities/pa-csa-sect-66-2102/>.

customers who have no comparable voice in setting the amount, a problem compounded by how little is publicly disclosed about what the amount even is.

Maine's own rate case record illustrates the opacity this creates rather than dispelling it. Neither CMP nor Versant publicly discloses how much of its executive or senior-management compensation is charged to ratepayers as opposed to absorbed by shareholders, and the closely related question of how Avangrid (CMP's parent company) allocates its own corporate-level costs, including management and merger-and-acquisition functions, across its subsidiaries has previously drawn scrutiny from the Office of the Public Advocate, which has acknowledged that these affiliate arrangements are "generally legitimate and above-board" but carry a "potential for mischief." OPA has also said it wants ratepayers to bear "no part" of costs that have "no value to the Maine ratepayer," a dispute in which regulators have said tens of millions of dollars could be at stake.¹⁵²

Executive compensation is a cost embedded in a utility's revenue requirement like any other, and other states have shown that a commission does not need new legislation to scrutinize it the way it already scrutinizes every other cost a utility asks ratepayers to bear. In 2022, the Minnesota Public Utilities Commission, acting within its existing statutory authority to determine what costs are reasonable for rate recovery, capped the ratepayer-funded compensation for each of Xcel Energy's 10 highest-paid executives at \$150,000 a year, totaling \$1.5 million annually, using then-Governor Tim Walz's salary as the benchmark for what customers should have to pay.¹⁵³

The MPUC already has comparable authority. Nothing in Maine law prevents the Commission from applying the same reasonableness standard to executive compensation that it already applies to every other cost CMP and Versant ask ratepayers to bear, measuring recoverable pay against a transparent, public benchmark, such as the governor's own salary, rather than the industry compensation surveys utilities typically rely on, which tend to ratchet upward over time as each company points to its peers' rising pay to justify its own. This would

¹⁵² Stephen Singer, "CMP costs for 'service agreements' with other utilities under scrutiny," Portland Press Herald (Nov. 12, 2024), <https://www.pressherald.com/2024/11/12/cmp-costs-for-service-agreements-with-other-utilities-under-scrutiny/>.

¹⁵³ Xcel challenged the cap, and in January 2025 the Minnesota Court of Appeals remanded the decision for further explanation of the specific dollar figure chosen but explicitly affirmed the Commission's underlying authority to impose a cap at all, rejecting Xcel's argument that industry-standard compensation levels alone justified passing the cost to customers. In a March 2026 rate decision covering the 2022 through 2024 test years, the Commission reaffirmed the same \$150,000-per-executive cap, evidence that the approach has held up as durable ratemaking practice rather than a one-time reaction. Jeffrey Tomich, "Minnesota slaps limits on pay for utility executives," E&E News (Mar. 13, 2026), <https://www.eenews.net/articles/minnesota-slaps-limits-on-pay-for-utility-executives/>; Karlee Weinmann, "Xcel legal fight could force customers to pay more for exec pay," Energy and Policy Institute (Jan. 30, 2025), <https://energyandpolicy.org/xcel-legal-fight-could-force-customers-to-pay-more-for-exec-pay/>.

build directly on the cost-exclusion framework Maine has already established, restricting recovery of lobbying, public relations, charitable contributions, and trade association dues since 2023, with pending legislation that would go further by barring recovery of board of directors and investor-relations expenses.¹⁵⁴

The Legislature could also codify a version of this standard by statute, giving it a durable footing independent of any single rate case or administration. Connecticut, Maryland, and California offer possible approaches, as described below.

These approaches rely on two different levers, and it is worth being clear about which problem each one solves. A flat cap, like Minnesota's, works on cost by limiting how much of executives' pay that ratepayers will fund at all, regardless of how well the company does (or does not) perform. A performance-conditioned standard, by contrast, works on incentives by tying the amount a utility can actually recover to outcomes that ratepayers care about, thereby giving executives real skin in the game. A flat cap alone changes what a utility is allowed to charge but does not by itself change how a utility behaves; conversely, a performance condition changes behavior, but only if the baseline it is conditioning is meaningful (rather than already inflated by circular industry benchmarking). Thus, the strongest version of this reform would pair the two: a transparent, scrutinized baseline set using a public benchmark rather than an industry survey, coupled with a performance adjustment layered on top so that outperforming or missing targets actually moves the number.

Connecticut took the performance-conditioned route in the 2020 Take Back Our Grid Act, enacted after widespread, prolonged storm outages. Section 4 of that act authorizes Connecticut's regulator to condition the executive compensation a utility may recover in rates based on the company's performance against defined metrics and standards, tying ratepayer-funded executive pay to the same reliability and affordability benchmarks already central to Maine's own oversight agenda, rather than to a flat dollar cap.¹⁵⁵

Maryland took the simpler, flat-cap route instead. Its Utility RELIEF Act, enacted in 2026, caps investor-owned utility supervisory compensation recoverable through rates at 110 percent of the salary of the chair of the state's Public Service

¹⁵⁴ Charlie Spatz, "Maine bill proposes cap on rate case charges to utility customers," Energy and Policy Institute (Jun. 3, 2025),

<https://energyandpolicy.org/maine-bill-proposes-cap-on-rate-case-charges-to-utility-customers/>.

¹⁵⁵ Public Act No. 20-5, § 4, "An Act Concerning Emergency Response by Electric Distribution Companies, the Regulation of Other Public Utilities and Nexus Provisions for Certain Disaster-Related or Emergency-Related Work Performed in the State" (the "Take Back Our Grid Act"), Connecticut General Assembly (2020), [2020PA-00005-R00HB-07006SS3-PA.PDF](https://legis.ct.gov/2020PA-00005-R00HB-07006SS3-PA.PDF).

Commission, while leaving utilities entirely free to pay their executives more from shareholder funds.¹⁵⁶

California's Senate Bill 905 suggests this is becoming a live legislative trend rather than a handful of isolated examples. Introduced by Senator Josh Becker, SB 905 would require utilities to link a portion of executive compensation directly to keeping rate increases from outpacing inflation over a rolling three-year period, following Connecticut's performance-conditioned model rather than Maryland's flat cap.¹⁵⁷

Maine's Legislature has a genuine choice among these approaches, but pairing them (a scrutinized baseline *with* a performance-conditioned adjustment on top) does the most to convert executive compensation from a pass-through cost into a lever that actually rewards the outcome ratepayers care about. The Commission could pursue the baseline piece now, under its existing rate-case authority, discussed above, while the Legislature layers a statutory performance standard on top. The incoming governor should work with the Legislature to advance whichever combination it finds most durable and effective.

Be intentional and methodical in the redesign of multi-year rate plans — Maine is currently revamping its framework for multi-year rate plans (MYRP),¹⁵⁸ and the incoming governor can play an important leadership role in this process. MYRPs prescribe a schedule for rate case filings and allow changes to rates in between rate cases based on predetermined formulae. When designed well, MYRPs can encourage utilities to better contain costs, while also stabilizing utilities' revenues. But when not accompanied by clear performance metrics with meaningful consequences for falling short, they can instead raise costs and lower service quality, locking in guaranteed rate increases without any strings attached.

In March 2026, the Commission issued initial guidance, and now faces the harder work — designing the performance incentive mechanisms (PIMs) that determine whether a multi-year plan actually protects ratepayers and advances priority

¹⁵⁶ Jamie DeMarco, "Every Single Thing in Maryland's Utility RELIEF Act of 2026," CCAN Action Fund (2026), <https://ccanactionfund.org/every-single-thing-in-the-utility-relief-act/>.

¹⁵⁷ Office of California State Senator Josh Becker, "Becker Bill Targets Utility Profits, Links Executive Pay to Controlling Electricity Costs" (Mar. 18, 2026), <https://sd13.senate.ca.gov/index.php/news/press-release/march-18-2026/becker-bill-targets-utility-profits-links-executive-pay-to>. The bill passed both the Senate and Assembly in 2026 and was awaiting the governor's signature as of this writing.

¹⁵⁸ Me. P.U.C. Docket No. 2025-00354, "Inquiry into Multi-Year Rate Plans for Investor-Owned Transmission and Distribution Utilities" (Commission Guidance issued Mar. 13, 2026), <https://mpuc-cms.maine.gov/COM.Public.WebUI/Common/CaseMaster.aspx?CaseNumber=2025-00354>. CMP's current rate case is expected to be the first year of a new multi-year rate plan (MYRP), following an earlier plan the Commission approved for CMP in 2023. In December 2025, the Commission opened an inquiry into a multi-year rate plan framework for Maine's investor-owned utilities, closing it with initial guidance in March 2026 after comment from a wide range of stakeholders.

outcomes, or simply locks in years of rate increases with less annual scrutiny.¹⁵⁹ A well-designed PIM ties utility earnings to outcomes ratepayers experience, such as reliability, affordability, and timely service, with real financial downside for missing them, not just upside for hitting them; a poorly designed one simply relabels business-as-usual spending as "performance" and locks in years of automatic increases with less regulatory scrutiny than a traditional annual rate case would allow.

The incoming governor should advocate that the Commission ensures any PIM framework it adopts includes meaningful consequences, and metrics tied to outcomes ratepayers can observe on their bills and in their service.

¹⁵⁹ Ben Havumaki and Melissa Whited, "MYRP Design for Maine," Synapse Energy Economics (Feb. 9, 2026), [https://www.synapse-energy.com/sites/default/files/Synapse%20MYRP%20Design%20for%20Maine%20-%20for%20OPA%20\(20260209\)%2025-108.pdf](https://www.synapse-energy.com/sites/default/files/Synapse%20MYRP%20Design%20for%20Maine%20-%20for%20OPA%20(20260209)%2025-108.pdf).

Conclusion

Maine's next governor will inherit both a serious affordability problem and a real opportunity to solve it. The rate increases documented at the outset of this primer are not the result of any single bad decision or single bad actor; they are the predictable output of a regulatory model that, left unattended, rewards utility spending over cost containment and leaves the Commission, the Office of the Public Advocate, the Legislature, and the public each working with less capacity, less information, and less backing than the task requires. That is also the good news: because the problem is structural, so are the fixes, and many of them do not require inventing anything new. Other states — and, in several cases, Maine's own Commission and Legislature — have already built and tested the tools this primer describes.

The six parts of this primer are best read as a single, connected set of options rather than six separate agendas. A governor who moves early on the Day One actions in Part One earns the credibility and momentum to pursue the more durable, legislatively dependent reforms in Parts Four and Six. A Commission and Office of the Public Advocate that are properly resourced, structurally supported, and given room to test new ideas before they are litigated, as Part Three describes, are better positioned to use the accountability tools in Part Two without fear that assertive action will be read as regulatory overreach. And a public and intervenor community equipped to participate meaningfully, as Part Five describes, generates exactly the kind of scrutiny that makes every other reform in this primer durable once the next administration ends. Accountability and independence, pursued together rather than treated as competing priorities, are what let Maine's regulatory institutions earn and keep the public's trust.

None of this requires the incoming governor to act on every recommendation in this primer, or to act on them all at once. Some of these reforms sit squarely within the governor's own authority — how appointments are made, what an executive order can direct, how the administration talks about who is responsible for rising bills. Others will require sustained partnership with a Legislature that has already shown, session after session, that it is willing to act on utility accountability when given the tools and the political cover to do so. What all of these reforms share is a bet that paying consistent, structural attention to how Maine regulates its utilities, rather than reacting to the next rate case or the next storm, is what actually lowers bills and builds lasting public confidence in the institutions responsible for doing so.

The tools are on the table. What they need now is a governor who will take them up on behalf of the people of Maine.