

July 29, 2020

François Legault
Premier
Édifce Honoré-Mercier, 3e étage
835, boul. René-Lévesque Est
Québec (Québec) G1A 1B4

Sophie Brochu
President and Chief Executive Officer
Hydro-Quebec
75, boulevard René-Lévesque Ouest
Montréal (Québec) H2Z 1A4

Dear Premier Legault and Ms Brochu:

As current and former elected representatives of the Maine State Legislature, we are writing to express our extreme concerns about Hydro-Quebec's political campaign aimed at influencing the outcome of a citizen-initiated ballot measure this November. Hydro-Quebec's political committee, the Hydro-Quebec Maine Partnership, is on track to spend more than \$10 million in an effort to defeat a ballot measure against construction of the Central Maine Power (CMP) corridor – a 145-mile transmission line that would deliver electricity from Quebec to Massachusetts ratepayers through western Maine forestland.

We respectfully request that Hydro-Quebec cease all further campaign activities in Maine and let the people of Maine vote without further meddling in our elections.

As you know, unlike in many other states, Maine ethics law currently does not explicitly prohibit government-owned corporations like Hydro-Quebec from engaging in our elections. This oversight in our laws has never been a concern because Maine voters have never previously been the target of a multi-million-dollar campaign by a foreign government-owned corporation like Hydro-Quebec. However, due to Hydro-Quebec's unprecedented and aggressive lobby campaign, Maine lawmakers, including several of the signatories to this letter, were in the process of considering legislation to close this loophole before the pandemic required the Legislature to abruptly adjourn.

Because Hydro-Quebec is a Crown Corporation, wholly owned by the Province of Quebec, the government and residents of Quebec have a direct financial interest in Hydro-Quebec's profit-making enterprises. This stands in marked contrast with any *private* company based in Maine that may have foreign owners. In such cases, the residents of those foreign countries have no financial interest in the outcome of a Maine election.

Hydro-Quebec provides billions of dollars annually to its sole shareholder, the Province of Quebec, which means that the residents of Quebec have a direct financial stake in the outcome of the CMP corridor referendum. Hydro-Quebec reportedly stands to receive \$12.4 billion in profits from the CMP corridor project over 20 years. However, the residents of Quebec are distant from Maine and unlikely to understand the impacts this project would have on the western Maine forestlands. We believe the residents of Quebec are likely also unaware of the extent to which Hydro-Quebec is exploiting the

loophole in Maine's ethics laws to advance this project, and the inaccuracies and deceptions pursued by Hydro-Quebec in its political advertising campaign.

One of the central issues for Maine regulators and policymakers in evaluating the merits of the CMP corridor has been whether the project would provide verifiable, additional reductions in *global* greenhouse gas emissions. No representative of Hydro-Quebec ever appeared in Maine under oath to answer questions about this central issue. Hydro-Quebec similarly evaded testimony on this subject during consideration of the Northern Pass Project in New Hampshire. Hydro-Quebec did, however, hire a lobbying firm that helped defeat legislation in Maine that would have required an independent study of the climate impacts of the project.

The only time that Hydro-Quebec has sent a representative to speak before a legislative committee in Maine was when Hydro-Quebec General Counsel, Francois Ramsay, appeared in March 2020, to testify against a bill (LD 2136) to close the loophole in Maine ethics law that allows Hydro-Quebec to create a campaign committee aimed at affecting the opinion of Maine voters on a citizen-initiated referendum.

During that testimony, Monsieur Ramsay claimed that prohibiting foreign government-owned corporations from engaging in referendum campaigns in Maine would be "a serious disservice to Mainers because it would prohibit the very information that is needed by the public to make an informed decision."

In fact, we believe that the real disservice and the affront to Maine voters is the specious campaign being waged by Hydro-Quebec.

- To deceive Maine voters into thinking that Hydro-Quebec's influence campaign is run by a U.S.-based company, Hydro-Quebec earlier this year changed the Montreal, Quebec, address listed on its campaign materials to Hartford, Connecticut.
- To manipulate Maine voters, Hydro-Quebec's advertising campaign has used images of Baxter State Park and Acadia National Park to intentionally exploit the emotional attachment that Mainers have for these locations and imply that the managers of these areas are in partnership with Hydro-Quebec or somehow support the CMP corridor – which is not accurate.
- To misinform Maine voters, Hydro-Quebec has used an image in its ads of belching smokestacks unlike any that exist in the northeastern United States, let alone New England, suggesting that the CMP corridor will terminate such not-actually-in-New-England sources of air pollution.
- In violation of Maine's ethics laws, Hydro-Quebec was fined \$35,000 for failing to register with the Maine Ethics Commission before spending \$100,000 on its campaign aimed at Maine voters. This was the second-largest campaign violation fine in Maine history. Hydro-Quebec issued a news release promising to no longer make reporting mistakes, yet mistakes keep happening. Hydro-Quebec's campaign filings repeatedly list a Maine-based consultant, Blaze Partners, as being in Charleston, South Carolina.

But the real affront to Maine voters is the massive \$6.5 million that Hydro-Quebec has already spent on this campaign, and the escalation of spending now underway, as demonstrated by the hiring of one of

the nation's priciest campaign consulting firms, Forbes-Tate, to serve as an agent, registered with the U.S. Justice Department, of a foreign government-owned corporation, Hydro-Quebec.

If the shoe were on the other foot and Maine voters were directly connected with a campaign to overturn public opinion on a construction project in Quebec, we would hear protests from the people of Quebec. But the shoe is on our foot, and we are not comfortable with it.

In 2018, Canada amended its own election laws to prohibit foreign entities from spending money to influence elections. As a result, it is illegal for foreign entities to attempt to influence elections in Quebec even as Quebec is attempting to influence an election in Maine.

As current and former representatives of the people of Maine, we feel compelled to request that Hydro-Quebec cease its campaign operations in Maine aimed at trying to manipulate Maine people into accepting a project that all public opinion surveys show they don't want.

We request that you honor the intelligence and rights of Maine voters to decide the fate of the CMP corridor project without foreign government influence from Hydro-Quebec, a Crown Corporation.

Sincerely,

Rep. Kent Ackley of Monmouth

Rep. Donna Bailey of Saco

Rep. Pinny Beebe-Center of Rockland

Rep. Seth Berry of Bowdoinham

Rep. Jan Dodge of Belfast

Rep. Victoria Doudera of Camden

Rep. Jeff Evangelos of Friendship

Rep. Richard Farnsworth of Portland

Rep. Lori Gramlich of Old Orchard Beach

Rep. Nicole Grohoski of Ellsworth

Rep. Allison Hepler of Woolwich

Rep. Christopher Kessler of South Portland

Rep. Chloe Maxmin of Nobleboro

Rep. Joyce "Jay" McCreight of Harpswell

Rep. Sarah Peabworth of Blue Hill

Rep. Denise Tepler of Topsham

Rep. Ryan Tipping of Orono

Rep. Stan Zeigler of Montville

Sen. Shenna Bellows of Kennebec County

Sen. Brownie Carson of Cumberland County

Sen. Justin Chenette of York County

Sen. David Miramant of Knox County

Sen. Linda Sanborn of Cumberland County

Former Republican Senate President Rick Bennett of Oxford County

Former Republican Senator Tom Saviello of Franklin County