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SPECIAL JOINT LEGISLATIVE COMMITTEE  
TO INVESTIGATE PUBLIC UTILITIES

RE: INVESTIGATION OF )  
PUBLIC UTILITIES )

HEARING

October 31, 1984  
9:47 A.M.

State House  
Augusta, Maine

Reporter: Janice A. Maggioli, RPR

JUN 13 1985

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PROCEEDINGS

SENATOR BALDACCI: Members of the Committee, ladies and gentlemen, we are reconvening this morning to resume hearings of the Joint Select Hearing to Investigate Public Utilities. The focus of this set of hearings will be to examine the nature and the extent of Maine utilities in the political process in the state.

This is not an effort to chastise or place blame, nor is it an effort to gloss over. Clearly Maine utilities have been involved in politics. They do not deny it. We do not protest it. This committee recognizes their right, their necessity, even their duty to their stockholders to represent the interest of each company in the political process that have a major impact on their corporate well-being.

In Maine, particularly, the last five years have seen three major referenda efforts, two to close Maine Yankee Atomic Power plant and one to make the Public Utilities Commission elective, not appointive. It would be fool-hardy, even negligent, for responsible corporate leadership to stand aside while their fates were being decided by referendum vote. We are engaged in a process of assessing limits.

The questions: What are legitimate political activities?

Who shall set the limits of the acceptable political activity?

1           Who shall monitor this political activity?  
2       Must be addressed by our committee. We must examine, weigh  
3       and reach conclusions that will benefit the people, the  
4       regulators, and the regulated. But before we can do this we  
5       need information, information about Maine utilities'  
6       political activities, what their objectives were, how they  
7       organize to achieve them, and what impact they have on the  
8       outcome of the political process.

9           We will hear this morning from two esteemed and  
10      knowledgeable participants in that process. John Menario,  
11      former city manager of Portland, Chairman of the Educational  
12      Commission and Executive Director of the Committee to Save  
13      Maine Yankee; and Norm Temple, vice president for Legislative  
14      and Public Affairs of Central Maine Power Company now retired.  
15      We have asked them here today to assist us in understanding  
16      the activities of Maine's utilities in their efforts to  
17      prevent the closure of Maine's only nuclear power plant.

18           The committee wishes again to recognize the  
19      openness and cooperation of the present management of the  
20      Central Maine Power Company.

21           Before we turn to Mr. Menario and Mr. Temple, I  
22      would like to ask Mr. Flaherty, the majority counsel, to  
23      inform the committee of the legal steps following our  
24      citation for contempt of Dr. Christian P. Potholm.

25           MR. FLAHERTY: Mr. Chairman, that's really

1 something that ought to be handled in executive section. I  
2 recommend that that be the approach.

3 REPRESENTATIVE SPROUL: So moved.

4 MR. FLAHERTY: We have pending litigation.

5 SENATOR BALDACCI: When we take up that discussion,  
6 we'll take it up in executive session. Let's start in with  
7 the presentation by Mr. Temple.

8 NORMAN J. TEMPLE, having been duly sworn by the Chairman  
9 was examined and testified as follows:

10 EXAMINATION-BY ATTY. FLAHERTY:

11 Q. Would you please state your name.

12 A. Yes, my name is Norman J. Temple. I am a resident of  
13 Gardiner. I was employed by Central Maine Power Company for  
14 28 years, starting first as a public relations assistant and  
15 working under then vice president Harold Snerl, subsequently  
16 was named to set up an area development department to work on  
17 improving the economy of the State of Maine in cooperation  
18 with state and local groups which department I did establish.

19 I was then named an assistant to Harold and upon  
20 his retirement was named a vice-president in charge of then  
21 public relations. I have over the years held positions in  
22 public information, legislative relations, share owner  
23 relations, customer relations. I retired effectively August  
24 1 using the accumulated vacation time with effective  
25 retirement date in the company of September 1 and I am now

1 fully retired.

2 Q. Do you have anything that you would like to add to the  
3 record, Mr. Temple, in regards to the activities outlined?

4 A. I think that the committee would be interested in some  
5 background, if you would like me to get into background on  
6 how we approach the referendums. We first, of course, became  
7 aware that there would be a referendum facing us when an  
8 effort was made to obtain signatures to qualify the proposal  
9 to close Maine Yankee.

10 It was to be an immediate closure and after some  
11 policy discussions among the officers at Central Maine Power  
12 Company, it was decided that we should alert the public to  
13 the fact that if they sign the petitions and if the issue  
14 went to referendum and if it passed, it could be a very  
15 serious thing for the State of Maine and for our customers,  
16 both from the point of view of power supply, since Maine  
17 Yankee represented a sizeable block of Central Maine Power  
18 company's base load. And secondly, from the point of view of  
19 cost since Maine Yankee was generating at a fraction of a  
20 cost of oil fire generation.

21 And so an ad was prepared and run, one ad with  
22 mixed emotions because we knew what the criticisms might be.  
23 And we did face those criticisms from the proponents of Close  
24 Maine Yankee who said that we were trying to keep the people  
25 from having a vote on the issue and that we should allow the

1 signature process to proceed unhindered and without any  
2 involvement on our part.

3 Our only response was that we felt our customers  
4 needed to be alerted to the impact on them when they signed  
5 the petition. They were not signing just to have a right to  
6 vote. The petition called for the closing of Maine Yankee  
7 and we pointed that out in the add.

8 Then there was a long period when we just sat and  
9 watched and tried to get a feel of how the signature  
10 gathering process was going and it ultimately, as you know,  
11 qualified and we then had to face the question of whether we  
12 would try to fight this as a company or whether we would take  
13 some other course of action.

14 I had been involved in the 1973 public power  
15 referendum and so I was used somewhat as a resource person  
16 and consultant on these major issues. And my recommendation  
17 was that Central Maine Power Company could not expect to have  
18 a fight of this type which was going to be in the political  
19 arena. It meant that we had to drop everything else, to give  
20 full time to this because it would be a full-time election  
21 process.

22 And it was obvious that people would not join  
23 Central Maine Power, nor would they give to help share the  
24 cost of such an election campaign as they would if there were  
25 an outside committee. And I favored the approach we used in

1 1973 of having an outside committee take over the battle.

2 And after considerable delay and discussion it was  
3 finally decided that we would seek to encourage the formation  
4 of an outside committee. I had heard from various sources  
5 that John Menario, whom I had known and admired and respected  
6 as a very capable dedicated public citizen, and he's worked  
7 in Portland, both for the city and for the greater Portland  
8 area Chamber of Commerce. He has worked in other commissions  
9 in service to the state, an outstanding name, well recognized  
10 would be available. So we asked John to come to Augusta and  
11 have lunch with Skip Thurlow and me to talk about the idea of  
12 forming an outside committee.

13 And John was enthusiastic about it and indeed was  
14 willing to do it. Later -- and I was not part of these  
15 discussions -- he came back to talk with Skip Thurlow and  
16 arrived at an arrangement to take over the organization of  
17 the committee.

18 We recognized that we were going to have a steering  
19 committee and we formed a steering committee to keep an eye  
20 on how things were going and we had on that steering  
21 committee a group of outstanding people who were  
22 knowledgeable in both utilities and in election processes.  
23 And John, of course, as chairman of the citizens' committee  
24 served as chairman of the steering committee and prepared the  
25 agendas and led the discussion of any meetings we had of that



1 committee.

2 We had Michael Healy, an outstanding Portland  
3 attorney, long-time lobbyist at the state house for a variety  
4 of clients on the steering committee and serving as treasurer  
5 of the citizens' committee. We had Dr. Christian Potholm as  
6 a political consultant, and I'll divert in a moment to tell  
7 you how we happened to hire him.

8 The industry nationally was represented on the  
9 committee and we had many vendors who were very interested in  
10 the Maine election because if it were to pass here, it could  
11 have a domino effect on other nuclear plants around the  
12 country. And they wanted to keep a finger on what was going  
13 on and how we were doing and make sure we were doing  
14 everything we should be doing to prevail.

15 Therefore, we had a representative of the national  
16 manufacturing segment sitting on the steering committee --  
17 I'm trying to think going around the table as we had meetings.  
18 Mr. Leason was selected -- Robert Leason was selected to be  
19 our day-to-day liaison with the citizens' committee since he  
20 was a very good man that handled projects, could follow  
21 detail, needed very little direction, could be depended upon  
22 to do a good job of following up on all the detail that would  
23 be involved in a day-to-day basis. So we selected Bob Leason  
24 to be the liaison between the citizens' committee and the  
25 company.

1           We knew we were going to need polling advice and I  
2           had always used a Massachusetts firm whenever we had done any  
3           polling in the company and I was recommending that we use  
4           that company. I did not prevail. A decision was made to use  
5           someone else. And that pole segment of polling had been  
6           turned over to Mr. Leason to do the day-to-day work on and  
7           Mr. Robert Scott was his immediate supervisor.

8           I had been relieved of all responsibility for  
9           polling when we changed polling firms and that happened in I  
10          believe 1979 because I had been subpoenaed to appear before  
11          the PUC in a rate case where they wanted a copy of a poll.

12          They subpoenaed me not knowing that I no longer had  
13          anything to do with polling in the company. And I was  
14          subpoenaed in 1979 to appear in early January, as I recall it,  
15          of 1980. So it was at least a year before that that I had  
16          been relieved of the polling responsibilities and it had been  
17          given to Mr. Scott with Mr. Leason as the day-to-day liaison.

18          The hiring of Mr. Potholm came about because he had  
19          written a letter pronuclear to the editor of one of the  
20          Portland papers. And it was a factual letter, well  
21          researched, well written, hard hitting, and our people in the  
22          nuclear end of our business were very impressed with it. And  
23          everyone wanted to know who is Chris Potholm and who knew him  
24          in the company.

25          Well, I at that point only knew him by name, had

1 never met him. But our nuclear public information man, Don  
2 Lobenstein at the time, now retired, went down to Bowdoin  
3 College to thank him for his letter and to commend him for  
4 his research and obviously in the time that had been put into  
5 writing the letter. Don Vigue who now is assistant to Done  
6 Rowe, staff assistant to John Rowe, but at the time was a  
7 young man I had hired out of the University of Maine at Orono,  
8 biology graduate to work in our information center at Maine  
9 Yankee, and subsequently he had been promoted to a more  
10 responsible public information work on behavior of the entire  
11 company.

12 Vigue went with Lobenstein and both came back  
13 raving about Mr. Potholm's expertise, his clarity of thinking,  
14 his quick mind and they urged me to go see him, meet him.  
15 They set a date and I checked my calendar and it happened  
16 that I was at a meeting in Boston that day, but would be  
17 coming through later in the day. And I said that if they  
18 could arrange it for my travel back through Brunswick, I  
19 would meet Mr. Potholm.

20 I well recall climbing the many stairs to get to  
21 his office and wondering how younger -- how older people ever  
22 managed to get to the ivory tower. I was very impressed with  
23 Chris Potholm. He made some very good points and I came back  
24 and told Mr. Thurlow that he ought to meet Mr. Potholm  
25 himself since here was a man who knew elections and knew a

1 lot about politics. And Skip said, I'm going to talk to him.  
2 Invite him up and we'll meet in your office and let me get to  
3 know him. So we did.

4 And Mr. Potholm started right off by saying, Mr.  
5 Thurlow, Mr. Temple tells me that you think that Central  
6 Maine Power and Maine Yankee ought to fight your own fight  
7 and you're going to try to run it in house and I'm going to  
8 tell you that if you think you can run a big power and run an  
9 election campaign and do a good job at both, you've got  
10 another thing coming. Those were almost verbatim his words,  
11 if not verbatim.

12 And Mr. Thurlow was impressed with his frankness  
13 afterwards, he speaks his mind, doesn't he, and very sharp in  
14 his analysis of the situations. Mr. Thurlow subsequently  
15 arranged to meet with Mr. Potholm and I was privileged to be  
16 present at that, but they did reach an agreement and Mr.  
17 Potholm was engaged to be a consultant and I joined the  
18 committee. And that's the background on how we happened to  
19 have Mr. Potholm aboard and how Mr. Menario came to head the  
20 citizens' committee. Both gave very good service as  
21 evidenced by the election results.

22 REPRESENTATIVE KELLEHER: What year was this?

23 THE WITNESS: 1980.

24 SENATOR BALDACCI: Unless there's an objection at  
25 this time I would like to reverse our procedure as had been

1 in previous hearings as to have the staff go through -- the  
2 staff director begin the question and then the committee  
3 follow-up at that time. And then if there are any other  
4 questions, to have the staff be able to ask them. So I'd ask  
5 Mr. Asch as staff director if he would coordinate the  
6 question.

7 MR. ASCH: I would be glad to. Why don't we take a  
8 five-minute recess. There are materials coming down from  
9 Zerox for the committee members that I'd like to have before  
10 we start.

11 SENATOR BALDACCI: All right. Let's take a five  
12 minutes recess.

13 REPRESENTATIVE KELLEHER: I so move, five minutes.

14 (A short break was taken.)

15 SENATOR BALDACCI: The meeting has been reconvened  
16 after a very short recess. I defer for the questioning to  
17 the staff at this time. Mr. Asch?

18 MR. ASCH: I'm going to distribute a few more  
19 materials here and I defer to Mr. Flaherty for questioning.

20 MR. FLAHERTY: Thank you.

21 EXAMINATION-BY ATTY. FLAHERTY:

22 Q. Mr. Temple, I've listened to your comments and many of  
23 your opening remarks have obviated the necessity for certain  
24 questions from me. But I would invite your assistance here  
25 in ascertaining and understanding some of the relationships

1 you've made reference to so the committee will have a better  
2 understanding of these relationships. If I understand it,  
3 you have no affiliation whatever at this time with Central  
4 Maine Power Company or any of its affiliates?

5 A. That's basically correct. I do have an agreement that I  
6 will be available to the company on a consulting basis for  
7 not over 50 days a year. To this point they haven't used me  
8 and I don't know whether they plan to in view of cost cutting  
9 measures up there, although I feel that I might be helpful in  
10 some areas.

11 Q. But other than that consulting arrangement --

12 A. Other than that agreement to be available as needed, I  
13 have no connection.

14 Q. And you were kind enough to take advantage of an  
15 interview with Mr. Asch, the staff director, prior to coming  
16 here today?

17 A. Yes.

18 Q. You made mention of the fact that I think it was 1979,  
19 you first became involved in this problem regarding the Maine  
20 Yankee referendum?

21 A. Right.

22 Q. And at that time, if I understand you correctly, the  
23 advice that you provided to your principals, specifically Mr.  
24 Thurlow, was that the work of revising, if you will, or  
25 enlisting support to resist an affirmative vote on the

1 referendum should be undertaken by an independent separate  
2 committee?

3 A. Right.

4 Q. And in order to accomplish this it was decided after  
5 discussions and recommendations, if I understand you, that  
6 someone be located who had the prominence and the ability to  
7 conduct the activities of that committee?

8 A. Right.

9 Q. This was Mr. Menario?

10 A. Right.

11 Q. Did you participate in the discussions which were had  
12 within your company with Mr. Menario and others as to how  
13 this committee was to take form?

14 A. Yes. As a matter of fact, I recommended that when we  
15 constituted the citizens' committee, we should take advantage  
16 of the offers of many people who were prominent in the state  
17 by various walks of life, accepting them of membership on the  
18 committee. And if we had any major gaps to cover consistent  
19 groups of our customers, that we should see that they were  
20 represented.

21 For example, we wanted a prominent farmer to  
22 represent the agricultural community. And we tried to cover  
23 the state geographically and also to cover the constituent  
24 groups among our customers. And when the decision was made  
25 to go ahead and form the committee, I was asked to make the

1 contacts and to come up with the names of people who would be  
2 willing to serve. And that was one of my early  
3 responsibilities.

4 Q. Now, did this citizens' committee come to be known as  
5 Save Maine Yankee committee?

6 A. I think that's the name that they selected, yes.

7 Q. And for how long a period of time, if you know, did you  
8 work -- did this committee have any existence -- active  
9 existence?

10 A. Yes, the letter -- we had a letterhead committee of  
11 prominent citizens from around the state. They met on  
12 several occasions. I know one occasion they were briefed by  
13 Dr. Potholm on the seriousness of the situation and the work  
14 that had to be done ahead if the effort to keep Maine Yankee  
15 operating was to prevail.

16 Q. When you say a letterhead committee, do you mean people  
17 whose support was enlisted by having their name appear  
18 prominently on the correspondence of the committee?

19 A. More than that. We wanted their name obviously on the  
20 letterhead, but we also wanted them to participate. We  
21 wanted their input, we wanted their expertise and for example,  
22 we had a prominent scientist from the Jackson Laboratory who  
23 had made known that he was very much on our side of the  
24 question and that he would welcome an opportunity to be  
25 helpful. So we brought him -- I arranged him to take him to



1 Maine Yankee so he could physically see the plant and know  
2 how it was operating and meet the people there and then he  
3 attended some meetings of the committee.

4 Q. Now --

5 A. -- for input.

6 Q. Can you tell me how, if you know, this committee -- I  
7 know you've made reference to out of state interests,  
8 suppliers, and manufacturers of electric generating equipment,  
9 but can you tell us with a little more act of detail how this  
10 committee was to be funded?

11 A. Well, in the first instance we hoped that, but also knew  
12 in reality that we could not get the kind of money that would  
13 be needed to put on a major campaign and we had seen ample  
14 evidence in any major campaign in the state. The senatorial  
15 campaigns, for example, on a state-wide basis running  
16 sizeable figures, three numbers.

17 And we recognized that when we had been involved in  
18 a referendum in 1973, that we had gone into three numbers in  
19 the cost of the campaign. And we knew that we probably could  
20 not get people who were paying what they consider to be high  
21 electric bills, even though there was ample evidence that  
22 they were the lowest in the New England states and compared  
23 favorable around the country. People still would not add to  
24 the cost of their electricity by sending a contribution,  
25 however strongly they felt or however much we might appeal to

1 their reason.

2 And, therefore, we would have to find other sources  
3 of funding. And Mr. Thurlow gave a considerable amount of  
4 time to making phone calls and approaching and writing  
5 letters to raise money from other nuclear companies, from  
6 vendors, from friends of the industry.

7 Q. Well, would it -- did the monies, if you know, approach  
8 the three figure --

9 A. Oh -- no individual contribution did, but the total  
10 number was.

11 Q. Approximately how many dollars would you say came in  
12 from out of state?

13 A. I didn't keep book on that.

14 Q. I understand that.

15 A. I hesitate to give a guess without looking at --  
16 refreshing my memory on the figures, but it would be  
17 substantial

18 Q. And it would be in excess of 100,000?

19 A. Oh, yes.

20 Q. In excess of 200,000?

21 A. Yes.

22 Q. 3?

23 A. I think about 800,000 was raised, if my memory is  
24 correct, and probably about 600 of it came from major gifts,  
25 not all from out of state, but a good part of that from out

1 of state.

2 Q. Now, approximately how much money came from Central  
3 Maine Power, if any, directly?

4 A. Again, I haven't refreshed my memory on those figures  
5 and --

6 Q. I appreciate that. Would it be another 200,000?

7 A. I really don't recall.

8 Q. Okay. What about the staff of Save Maine Yankee?

9 A. That's a matter of record I might add. It's been filed  
10 with the Secretary of State. I just don't recall the name.

11 Q. Okay, fine. Is it fair to say though that we can assume  
12 from your comments that monies were paid by Central Maine  
13 Power to fund this?

14 A. Central Maine Power made a contribution.

15 Q. Are you able --

16 A. On behalf of its shareholders.

17 Q. Are you able to tell us whether it was determined by  
18 Central Maine Power that this was a stockholders' investment  
19 which was attempted to be saved, namely, Maine Yankee or a  
20 rate payers' benefit that was being saved?

21 A. I think it's in fairness we do have a responsibility to  
22 our share owners in the first instance, but Central Maine  
23 Power Company historically, and I think the record could  
24 amply be developed to prove this statement, has been  
25 interested in its customers and in providing superior

1 electric service at the best possible cost and it has done so  
2 over the years. And so while we can sit as management and  
3 say, our responsibilities to the share owners, I don't recall  
4 a discussion I've ever been in when we have not also  
5 considered equally the customer and the impact of our action  
6 on the customer.

7 And sometimes the customer interest has prevailed  
8 over the financial interest of the share owners. And I'm  
9 sure that in our deliberations on the impact of the closing  
10 of Maine Yankee, we were very serious about the impact on our  
11 power supply at that time and very serious about what would  
12 happen to the cost of power if that plant were closed.

13 Now, equally and, of course, more importantly was  
14 the impact on the share owners and the unique finance  
15 investment after the plant was closed, if indeed it had been,  
16 we still would have faced substantial costs with no revenues  
17 which would have been passed on to someone to close the plant.

18 Q. Should I conclude from what you've said that in your  
19 opinion and from what you ascertained at your meetings, there  
20 certainly was rate payer involvement in this effort?

21 A. Very much so. We had a lot of letters come in and a lot  
22 of voluntary contributions. These were all processed through  
23 Bob Leason who was our day-to-day man on this. Each one  
24 received a thank you from the Save Maine Yankee committee and  
25 Bob's mission from us was to make sure that none of those

1 little things slipped through the crack and that everyone who  
2 supported that committee got an answer from the committee.

3 Q. Did the rate payer in your view contribute as a rate  
4 payer to the -- to any portion of the cost of this funding of  
5 this citizens' committee or any other aspect of the funding  
6 to fight the referenda?

7 A. We had an in-house document directing that all time and  
8 all expenses be charged to an account. Our accounting people  
9 tried to ride herd on that. We tried to see that there was  
10 adequate accounting of time and that all expenses were kept  
11 track of and charged below the line to the share owners.

12 Q. So that if I understand you, the effort was made insofar  
13 as you were concerned, was successful in keeping those costs  
14 as expenses to the shareholders?

15 A. Yes, I -- you know, basically there may be slips that  
16 fell through the crack, but I don't think there were very  
17 many, if any.

18 Q. Okay. Mr. Temple, you made reference also to a steering  
19 committee?

20 A. A what?

21 Q. Steering committee.

22 A. Steering committee.

23 Q. I take it the steering committee was not a formal part  
24 from what I heard you say of the citizens' committee which we  
25 know as Save Maine Yankee?

1 A. A formal part. That's a good question because John  
2 Menario --

3 Q. I don't know if it's a good question or not.

4 A. John Menario chaired it and he was chairman of the  
5 citizens' committee.

6 REPRESENTATIVE KELLEHER: What was the question?

7 MR. FLAHERTY: I asked Mr. Temple if he could tell  
8 me whether the steering committee -- what the relationship of  
9 the steering committee was to the citizens' committee and  
10 more specifically whether he agreed with me that it was not a  
11 formal part of the citizens' committee known as Maine Yankee.

12 REPRESENTATIVE KELLEHER: Thank you.

13 A. It's the word formal part that makes me reflect because  
14 Mr. Menario ran the meetings, Mr. Menario set the agenda, Mr.  
15 Menario reported to the steering committee what the citizens'  
16 committee was doing to see if there was any input or any  
17 feeling on the part of anyone that we were not doing what  
18 needed to be done to win the election. So formal, informal  
19 is a moot question in some respects because it very much was  
20 an overview to make sure that the citizens' committee was  
21 indeed conducting a good campaign.

22 Q. Was there a reason for calling it a citizens' committee  
23 to your mind?

24 A. To divorce it from the company because the alternative  
25 was for the company to fight the fight.

1 Q. Do you know who, if anyone, came up with the concept of  
2 a citizens' committee, as such?

3 A. My recollection was that Mike Healy gave it the name.

4 Q. Okay. That's your recollection?

5 A. I'm just trying to recollect around the table as we  
6 discussed what it would be called, but I'm not sure. I think  
7 Mike Healy said, let's call it the citizens' committee to  
8 Save Maine Yankee.

9 Q. Do you know why he suggested the word citizens be used?

10 A. It would be almost every campaign is usually citizens  
11 for someone or citizen -- I think it was just a use of the  
12 name to indicate broad public support.

13 Q. Do you know whether the existence of the steering  
14 committee --

15 (Discussion off the record.)

16 A. He just pointed out the name citizens I guess -- it was  
17 called Save Maine Yankee committee and I'm not sure the name  
18 citizens is on the letterhead or ever was used. But the  
19 intent is certainly there to have it be a citizens' committee.

20 Q. Well, I talked about citizens' committee because you  
21 have today.

22 A. Yeah.

23 Q. Is it fair to say that the intent of your people at  
24 Central Maine Power, Mr. Thurlow, and the others, was to  
25 create the impression that it was a committee which at least

1 one would not consider as being related to Central Maine  
2 Power Company?

3 A. Of course, it was more than Central Maine Power Company  
4 involved.

5 Q. Well, let's --

6 A. Two other companies that had ownership in it and, of  
7 course, there are companies in the other states of New  
8 England that own part of Maine Yankee and had had a vested  
9 interest in it and wanted to see that we did a good job of  
10 keeping that plant operating. I don't think there's any  
11 doubt in anyone's mind, no one fools anyone by thinking  
12 otherwise that our intent was to separate the company and let  
13 a citizens' committee run it.

14 We did it in 1973 and the public power fought very  
15 successfully and that committee ran its campaign and had its  
16 own organization and very little guidance and direction. In  
17 1980 we had the same feeling that people like Mr. Menario and  
18 the people he was enlisting and the people who had agreed to  
19 serve on the committee could run a good campaign. But our  
20 goal was to meet periodically as a steering committee to see  
21 what was being done and to see if we saw anything that ought  
22 to be done that wasn't being done.

23 Q. Fine.

24 A. Or to change anything that was being done.

25 Q. Was the steering committee to which you've made



1 reference ever been made or ever identified in the minds of  
2 the public as being associated with Save Maine Yankee?

3 A. I don't think so. I don't know. I don't recall it.

4 Q. Okay. Now, you made reference to the fact that at one  
5 point in the development of this committee and you describe  
6 the method by which it happened, Mr. Potholm -- Christian  
7 Potholm, came on board as a polster, correct?

8 A. Correct. He came aboard as a political consultant to  
9 Mr. Thurlow and to the committee.

10 Q. All right.

11 A. And polling came along afterwards.

12 Q. Okay. Now --

13 A. Actually the first polling to continue that was done by  
14 Cambridge.

15 Q. The -- while you were there as vice-president, as you've  
16 described it, Central Maine Power organized a subsidiary  
17 called Atlantic Research; is that correct?

18 A. Yes.

19 Q. What can you tell the committee about the reason for  
20 organizing Atlantic Research, and the function it was designed  
21 to perform?

22 A. I have to state categorically that I was not involved in  
23 any way with that decision and I was not part of it. I did  
24 not even have a file on Atlantic Research. I learned of its  
25 existence. I never attended any of its meetings. Mr. Scott

1 was in charge of polling at the time. Mr. Leason was working  
2 for Mr. Scott. I had been relieved of all polling  
3 responsibilities and so I had no involvement in or no  
4 knowledge of Atlantic Research.

5 Q. You've made mention of the fact that very many people  
6 sat around the table at meetings of the citizens' committee  
7 and I gained the impression that you were at those meetings.

8 A. Yes. Many of them, not all, but many of them.

9 Q. At any of those meetings were you presented with polling  
10 results of any kind from Atlantic Research?

11 A. I think the polling that we got was from -- in 1980 was  
12 from Command Research and from Cambridge.

13 Q. How about '81 and '82?

14 A. '81 we were not involved in it and we didn't have any  
15 meetings or any polling or anything. In '82 after some delay  
16 it was decided to reconstitute the committee which had not  
17 disbanded officially. They were still registered as a  
18 committee and the committee was reconstituted. Mr. Lyden was  
19 selected to be the day-to-day liaison replacing Mr. Leason  
20 and I am not sure -- I can't say with certainty that as we  
21 saw polling results, whether they came from Atlantic Research  
22 or from Command Research.

23 Q. I guess all I'm trying to find out, Mr. Temple, is  
24 whether you did at one point become aware of the fact that  
25 there was the polling company known as Atlantic Research

1 providing information from time to time to the Save Maine  
2 Yankee group?

3 A. I'm not -- yes, I knew there was -- a company had been  
4 formed, subsidiary, Atlantic Research. Mr. Scott, Mr.  
5 Thurlow, and Mr. Leason were officers of it. I can't say  
6 definitively whether at any of our meetings -- I'm trying to  
7 recall whether they did some conservation research or whether  
8 Command Research did it. I know that many of the  
9 presentations were made by Chris Potholm on how the public's  
10 opinion was changing or what the public was concerned about.

11 My recollection and I can almost visualize the  
12 letterheads Command Research on most of them. I can't really  
13 say definitively that there were or were not Atlantic  
14 Research documents as part of that polling. I think Atlantic  
15 Research did polling for Central Maine Power Company in the  
16 area of conservation and the public's attitude towards  
17 conservation.

18 Q. As that would bear on the impact of a nuclear plant; is  
19 that what you mean?

20 A. No. These were independent surveys on a conservation  
21 program to see what we had to offer and what the public would  
22 expect to have as a conservation program.

23 Q. Then, if I understand -- I'm sorry. If I understand it  
24 throughout that period, you had no responsibilities for  
25 polling, you had no knowledge of the development of any such

1 polling information or --

2 A. No, I had knowledge of the development as we attended  
3 meetings. We were briefed on what a poll was showing. But  
4 the briefing was usually done by Mr. Potholm and my  
5 impression it was Command Research.

6 Q. Okay. But you were simply aware of the existence of  
7 Atlantic Research at that period?

8 A. Yes. I knew they were doing polling, but I had nothing  
9 to do with their operation.

10 Q. Did you have any knowledge of how Atlantic Research was  
11 funded?

12 A. No.

13 Q. Or who its officers were?

14 A. I knew who the officers were.

15 Q. Who were they at that time?

16 A. Mr. Thurlow, Mr. Scott, and Mr. Leason.

17 Q. Do you know whether Mr. Thurlow, Mr. Scott, and Mr.  
18 Leason or any of them was actually paid compensation by  
19 Atlantic Research?

20 A. I have no idea.

21 Q. Okay. This in your role as a member of the committee,  
22 the steering committee as you've described it and on behalf  
23 of Central Maine Power Company did you participate in any way  
24 in the decisions to enlist support of various political  
25 candidates or invite their attention to the problem in any

1 way of Maine Yankee?

2 A. Yes. My job was to make sure in part, and I've relayed  
3 it to both parties and political figures at all levels, state  
4 legislators, local people, and our national representatives  
5 in Washington on what we were doing and what our position was  
6 and what the seriousness of it was. A company like ours  
7 finds very difficult to divorce itself from that type of  
8 dialogue with public figures.

9 They get letters from constituents asking them  
10 where they stand or what are the facts on the waste or any  
11 other argument that might be involved in an election  
12 campaign -- referendum campaign and their knowledgeable and  
13 fully competent to handle themselves. But they frequently  
14 will refer the question or the letter to my office. The same  
15 is true with rates.

16 Whenever a customer has a complaint, becoming a  
17 trend that they not only write to us, they right to the PUC,  
18 they write to the governor, and they write to Congressmen,  
19 and both U.S. Senators. And we frequently are asked to tell  
20 what our company's position is with respect to this complaint  
21 or this question. So did I get involved in that regard, yes.

22 Q. Now, in another aspect of that, were you involved at any  
23 time in those two roles you were acting in, namely  
24 representative CMP and representative of the steering  
25 committee in sharing with any of these political candidates

1 or offering to these political candidates or any of them the  
2 results of any polling efforts which were being made by  
3 Atlantic Research or Command Research or Mr. Potholm?

4 A. No. As a matter of course, I would not have shared that.  
5 That was in-house information. If we got involved in a  
6 discussion and they said, I've just done a poll and I'm  
7 running way ahead, I'm not -- it would be logical for me to  
8 say, yes, that's what we're finding too, or some such common  
9 as that. But I never gave any specific figures or any  
10 polling information or copies of polls.

11 Q. Do you know whether anyone else in your company at that  
12 time was offering such information to political candidates?

13 A. Well, I think I know what you're leading to and I think  
14 it's a matter of record and I have so stated in an interview  
15 with Mr. Asch that I knew that Mr. Thurlow had told the  
16 officers that he had given the results to the governor. He  
17 had been in his garden working and had a call from his wife  
18 to come in.

19 Q. Did he give it to anyone else?

20 A. He told the the governor he had to rush and then he also  
21 told us that he thought he should also make the number  
22 available to Mr. Cragin.

23 Q. Was that on one occasion?

24 A. That's the only one I am aware of.

25 Q. And do you know whether -- did Mr. Thurlow tell you or

1 do you otherwise know that he had authorized Mr. Potholm to  
2 share and swap this information with political candidates?

3 A. I doubt that very much. I don't know that.

4 Q. You don't know that yourself?

5 A. I don't know that.

6 Q. Now, you made reference to a letterhead committee. And  
7 we've discussed that a little bit, but I guess I'd like to  
8 ask you whether the people whose names appeared on that  
9 letterhead were made aware of the fact that the citizens'  
10 committee known as Save Maine Yankee was being funded by  
11 Central Maine Power and other utilities?

12 A. Yes, I think they were. I recall we had a big meeting  
13 of the whole committee of Maine Yankee as part of their work  
14 with the committee. We wanted them to come down to Maine  
15 Yankee, tour the plant and we at that meeting had a briefing  
16 on what we were finding from our polling and Dr. Potholm gave  
17 that briefing.

18 At that meeting, but coincidentally I had invited  
19 John Carey to come to Maine Yankee and have a tour, and he  
20 arrived that morning while we were having that meeting and  
21 walked in and sat down and listened to the meeting and the  
22 briefings. He was aware of the figures Dr. Potholm was  
23 giving out that date to the citizens' committee, which showed  
24 that we had a fight on our hands to educate the public.

25 Q. Were you -- I know you've told me you had no part in the

1 polling efforts of Atlantic Research and I guess you're  
2 possibly going to say the same thing, but for the record did  
3 you have any part in the polling efforts on behalf of Save  
4 Maine Yankee?

5 A. Only in that Dr. Potholm briefed us and we also had  
6 sessions where he would pass out what he was planning to ask  
7 for questions for comments and if any of us had comments, we  
8 made them. And on a couple of occasions I did have some  
9 comments on some of the wording on some of the questions.  
10 But other than that, I had no control over it or voice in it.

11 Q. Did Mr. Potholm in those meetings or on other occasions  
12 with you or in your presence discuss so-called mask  
13 questions?

14 A. Yes. Over the years that I've been involved masking  
15 with polling and it goes way back, there have always been  
16 masking questions used by polsters in order to keep the  
17 person being questioned guessing about who was doing this  
18 survey. So they'd get a more honest answer to the question  
19 they wanted to ask for questions.

20 Q. Did you see so-called masking questions in these  
21 handouts that Mr. Potholm distributed?

22 A. Yes.

23 Q. Did you object to any of those?

24 A. Yes, on a couple of occasions we had been caught once  
25 where we had used some masking questions involving political



1 candidates. Some of them had taken exception when it came  
2 out to having their name used in that regard and I pointed  
3 that out in one of meetings that we had been previously  
4 criticized by at least one candidate for using his name.

5 Q. Is there any difference between in your mind a masking  
6 question and a tracking question?

7 A. Yes. Tracking questions -- a masking question involving  
8 certain areas can track, but a tracking question when we did  
9 surveys over the years of how CMP was being perceived by its  
10 customers and that's a management tool, are we wasting our  
11 money on public information programs, are we giving the  
12 public the wrong information, they don't care about this, but  
13 they would wish we would talk about that.

14 We had certain tracking questions we call them  
15 tracking, and polsters and Potholm would be quick to tell me  
16 I don't know that much about polling, because this tracking  
17 question would mean that as he uses it, as I recall it, if he  
18 asked how do you feel about president Reagan and then asked  
19 how do you feel about Maine Yankee, he would coordinate the  
20 two as a tracking.

21 He would also view the -- how do you feel about  
22 President Reagan as a masking question, too. It would  
23 usually come early on so that you wouldn't know whether it's  
24 President Reagan and running this survey trying to find out  
25 how he's perceived or who.

1 Q. Apparently you've been involved then and developed your  
2 knowledge regarding the distinctions between masking and  
3 tracking for several years prior to 1980?

4 A. Right.

5 Q. Would it be fair to say that a person in Dr. Potholm's  
6 position would have use for tracking questions of the same  
7 nature in developing trends?

8 A. Yes, very much so.

9 Q. And that if such masking questions were inserted in  
10 polling interviews on behalf of various clients, that over a  
11 given period of time as to a current political issue or  
12 candidate they would enable the polster to develop a trend  
13 regarding the status of that issue or candidate?

14 A. Yes, I would think so.

15 Q. That's fair to say?

16 A. Yes.

17 Q. And that could be extracted from the several polling  
18 interviews and correlated and combined to keep constantly  
19 updating?

20 A. I think so.

21 Q. So that if Central Maine Power Company had commissioned  
22 a poll by Dr. Potholm or by Command Research, that -- and New  
23 England Telephone had also done so for different periods and  
24 the same masking or tracking question were contained in each  
25 poll, Mr. Potholm would be in a position to keep himself

1 updated at least to the time of the last pole; is that a fair  
2 statement?

3 A. That's fair statement.

4 Q. And that would be information which could be a value or  
5 benefit to an involved or affected political candidate?

6 A. If it were revealed to him.

7 Q. Yes.

8 A. That's not to say it was.

9 Q. We aren't suggesting that at this time. That's why  
10 we're here.

11 A. Yeah.

12 Q. Okay. And that would be true, would it not, Mr. Temple,  
13 even if the company contracting for the poll had not  
14 authorized or even cared that those questions were in there  
15 and the poll was with respect to a product of the company  
16 such as widgets?

17 A. That's right.

18 Q. So that Mr. Potholm would have been in a unique position  
19 then if he had that information coming in from various polls  
20 on behalf of various clients in that political climate?

21 A. I think any polster would be in that unique position,  
22 yes.

23 Q. And so you're saying you agree with me that Mr. Potholm  
24 would?

25 A. I think any polster having that information from a

1 variety of sources.

2 Q. But if I understand you, you were unaware of the fact  
3 that there was any authorization to Mr. Potholm to share that  
4 information whether from CMP or NET with political candidates?

5 A. Right. I should add one other incident.

6 Q. Sure.

7 A. I understand that Mr. Thurlow -- and I was not there --  
8 did brief Mr. Bradford and Gordon Weil on a survey that had  
9 been done and I think this was an Atlantic Research survey on  
10 conservation and since we were relating with the PUC on  
11 conservation allowances and conservation program, and Mr.  
12 Weil was then acting director of office of energy resources I  
13 understand Mr. Thurlow did brief them on a poll that he had  
14 done. I don't know whether he gave them copies, where he  
15 just gave them parts of the poll or the whole poll.

16 Q. Thank you. Now, let me turn to another subject for a  
17 moment because as you probably know, Mr. Temple, this  
18 committee's obligations extend into the area of developing  
19 standards of reporting and disclosure. You made reference  
20 earlier to an advertisement which was commissioned by Central  
21 Maine Power Company. Would that have been a 1979 --

22 A. Yes.

23 Q. And after that advertisement had been published, do you  
24 recall receiving a letter from Mr. Henderson, Deputy  
25 Secretary of State, specifically in July of 1979, advising

1 you that he considered that your company was obligated to  
2 appoint or nominate a treasurer under Maine law and disclose  
3 that in a reporting form?

4 A. Yes, I vaguely recall that that did happen and I think  
5 that Michael Healy handled that and relayed it to Mr.  
6 Henderson on the subject.

7 Q. I'm simply -- and you should understand this throughout  
8 I'm simply trying to get what information you can give us and  
9 if you don't recall, you certainly can tell us that. He also  
10 asked you --

11 A. I think at the time the question was in some peoples'  
12 minds, are we actually in a political campaign we know  
13 whether or not they get the signatures and actually qualify  
14 for the ballot and until that time, is there a campaign under  
15 way, and do you have to have a political committee to report  
16 anything you do?

17 Q. Right.

18 A. At that point we didn't know whether we were going to  
19 face a referendum or not. They might have not gotten their  
20 signatures and, therefore, we had no committee and we had no  
21 treasurer as such. But as I recall that when it came up, I  
22 think it was turned over to Mike legally and talked to  
23 Henderson, but I can't recall how.

24 Q. Do you recall --

25 A. Am I right, you have the correspondence here?

1 Q. I'm going to try to help you out here. I realize it's a  
2 long time ago. Do you recall discussing it with Stewart  
3 Brewster?

4 A. He was our general counsel so it would be obvious that  
5 he would be drawn into it.

6 Q. I can understand fully what you've just stated as a  
7 legal concern and I'm just simply trying to amplify that so  
8 we know where we're going. Excuse me.

9 (Discussion off the record.)

10 Q. Mr. Asch, staff director, advises me this material I'm  
11 looking at was delivered this morning, so I'm probably as  
12 much as in the dark about it as you.

13 A. Who --

14 Q. I'll tell you in a minute. When Mr. Henderson wrote you  
15 in 1979, he enclosed a copy of what was then the state  
16 statute?

17 A. Did he write me?

18 Q. He wrote to you and Thurlow.

19 A. Yeah.

20 Q. And it's the same letter actually as I see it here. But  
21 at that time the second point he made, if you recall and if  
22 you don't, I understand, was that because in excess of \$50  
23 had been expended on the ad if it had been then under section  
24 1413 of title 21 you would have been required or your company  
25 would have been required to report that; do you recall that

1 250?

2 A. No, I don't.

3 Q. In any event you wrote -- Mr. Brewster wrote back and  
4 indicated that a treasurer would be appointed, but the second  
5 part of it as to whether reporting was required under 1413  
6 because more than \$50 would have been expended would be taken  
7 under advisement, that was his language and what my question  
8 to you is: Do you know what event weighted after that as to  
9 the company's performance in that regard?

10 A. I don't. I recall the discussion. I recall the  
11 argument over whether or not are we really in a political  
12 campaign until they qualify for the ballot. If they don't  
13 qualify, we don't have any referendum and there's no campaign.  
14 Are they reporting their expenditures and their activities to  
15 collect signatures because after all that's as much a  
16 political activity as anything that we do respond to. But I  
17 don't recall how it finally was resolved.

18 Q. Okay. That section of the statute is within the chapter  
19 which is captioned, and I quote, reports on referendum  
20 campaigns, end quote.

21 A. Uh-huh.

22 Q. And that's section 1413. Have you been handed a copy of  
23 Mr. Brewster's response. Do you want a moment to read that?

24 A. Yeah, please.

25 Q. Good.

1 A. He says here, we're filing a notification of appointment.

2 Q. Exactly. But the second part --

3 A. When I received it, it was turned over to the lawyers  
4 and from that point on I was not.

5 Q. My only concern is to ascertain whether to your  
6 knowledge any further action was undertaken by the Deputy  
7 Secretary of State or anyone from that office?

8 A. To my knowledge, I don't know. Here is a notification  
9 of appointment attached to this one that says the name of the  
10 committee is Maine Yankee Atomic Power Company and the  
11 committee treasurer is Richard Crabtree.

12 Q. Yes. There is no question, as I indicated to you  
13 earlier, that according to Mr. Brewster your company did  
14 appoint a treasurer as requested and did advise Mr. Henderson  
15 that it was taking the other aspect of it under advisement.  
16 My question to you is whether you know whether Mr. Henderson  
17 or anyone from the Secretary of State's office ever followed  
18 up on that?

19 A. I don't know.

20 Q. Thank you. Now, finally from this quarter I wonder if  
21 you would assist us in telling us what, if anything, you knew  
22 about Maine Voice of Energy.

23 A. The only thing I know about Maine Voice of Energy is  
24 that the head of it or at least one of the people associated  
25 with it bombarded -- did bombard us with almost daily



1 questions and I assigned Don Vigue of my staff to work  
2 providing the answers because some of them were voluminous.  
3 And Don Vigue did supply most of the answers that we provided  
4 to that committee on questions that they were raising.

5 They started out as I recall it Phineas Sprague was  
6 one of the officers of it or members of that board. One of  
7 the executives at Bath Iron Works was very active in it. And  
8 they started out as in response to the oil, crisis, a  
9 shortage of oil and rapidly escalating costs of oil as a part  
10 of a national movement actually. There was an emergency for  
11 energy independence on a national basis.

12 Massachusetts had a Voice of Energy organization.  
13 And there's a woman in North Berwick who was one of the  
14 principals in the Maine Voice of Energy working very hard to  
15 make energy options known to the public. One of the energy  
16 options which they favored being nuclear. So they were,  
17 along with many other organizations, allies in effect and we  
18 attempted to see that they got any information they needed to  
19 do their job.

20 Q. So far as you know, Central Maine Power Company was not  
21 connected with that committee in any form?

22 A. We did not start it. We had no representation on their  
23 board. It was another group much like any business group or  
24 other chamber of commerce type activity that might consult us  
25 and ask for information. And as we would do with all such

1 groups, we bent over backwards to give them anything we could.  
2 We also made a contribution to them as I recall, but I can't  
3 tell you whether it was Maine Yankee or whether it was  
4 Central Maine Power made a contribution. It was a relatively  
5 small amount of money. Based on the record we have it was  
6 Maine Yankee and it was \$500.

7 Q. I have no further questions of you, Mr. Temple, at this  
8 time.

9 MR. FLAHERTY: Mr. Chairman, I have nothing further.

10 SENATOR BALDACCI: Mr. Ash.

11 MR. ASCH: I have nothing further.

12 SENATOR BALDACCI: Mr. Linnell?

13 EXAMINATION-BY ATTY. LINNELL:

14 Q. Only very few questions because I'm not sure what it was  
15 you indicated because it was passed over very quickly. Is it  
16 a correct summary of your testimony that to your knowledge  
17 the only three candidates for public office who received  
18 either polling data itself or information about polling data  
19 were Governor Brennan, Charles Cragin, and John Carey?

20 A. Carey received is inch vertically because he happened to  
21 walk in the room and Potholm was making the briefing.

22 Q. I understand.

23 A. I hesitate to drag his name because it's inadvertent  
24 because he was there and did hear the names that Potholm was  
25 giving to the citizens' committee.

1 Q. Are they the only three to your knowledge that received  
2 such information?

3 A. Yes. Except that I mentioned that Peter Bradford, not a  
4 candidate for public office now at least, and Gordon Weil  
5 same reservation.

6 Q. But I was confining my question to candidates for public  
7 office.

8 A. The only one I know is that Thurlow told us that he was  
9 working in his garden and his wife called him, come take the  
10 phone. He was reluctant to do it because he was sweating and  
11 working hard and she said, it's the governor. And he decided  
12 he better come in. I guess the gist of the conversation was,  
13 I've heard from various sources that you've done a poll or  
14 that you had some information. No mention of poll. I've  
15 heard from various sources that you have some information you  
16 thought I might be interested in.

17 And then Skip told him, yes, we've done a poll that  
18 shows you way ahead apparently. And the governor said,  
19 that's consistent with polling I'm doing. It's nothing new  
20 there and that was it. And then having done that with the  
21 governor he thought he ought to let Cragin know he was way  
22 behind. But I don't know whether Cragin gave him the whole  
23 poll or information.

24 Q. He's a witness. All I was really trying to find, those  
25 were the only three, and granted the one with John Carey was

1 inadvertent and he walked into the room.

2 SENATOR BALDACCI: Any questions?

3 Mr. Kelleher.

4 EXAMINATION-BY REPRESENTATIVE KELLEHER:

5 Q. Mr. Temple, just to follow-up on Counsel Linnell's  
6 question in regards to the phone call that Mr. Thurlow got  
7 when he was out weeding the carrots, was it from the governor  
8 or do you know whether, in fact, it was from the governor?

9 A. He said it was the governor. That's all I know.

10 Q. You don't know whether it was the governor's office?

11 A. He said it was the governor.

12 Q. Yes. When you met with Skip Thurlow and John Menario  
13 for lunch, what was the date?

14 A. I have no idea.

15 Q. What was the year?

16 A. It was 1980. We were well into the year.

17 Q. 1980?

18 A. Yeah.

19 Q. Was it in the winter months, January, February, March?

20 A. I have the impression, Representative Kelleher, that we  
21 were late getting going, very late, and I'm going to guess it  
22 was late spring.

23 Q. Late spring?

24 A. It could have been mid-winter. It could have been March,  
25 but I seemed to recall and I know in the second referendum we

1 were very late in getting going.

2 Q. And this is 1980. So you're saying like March or April?

3 A. I think so. You can ask Mr. Menario.

4 Q. I'll ask Mr. Menario when he comes up.

5 A. I can't recall for sure when he came in. I think it was  
6 in the spring of '80.

7 Q. Was that the first time you had met with -- you and Mr.

8 Temple had met -- you and Mr. Thurlow had met with Mr.

9 Menario in terms of the possibility of hiring his services to --

10 A. Right

11 Q. -- coordinate and organize and run in effect the  
12 campaign?

13 A. Yes.

14 REPRESENTATIVE KELLEHER: Thank you.

15 SENATOR BALDACCI: Are there any other questions of  
16 the members of the committee of Mr. Temple?

17 Thank you, very much, Mr. Temple for --

18 A. I hope I've been a help to you and to your efforts and I  
19 appreciate the courtesy that has been extended to me.

20 SENATOR BALDACCI: Mr. Temple, thank you, very much  
21 for making yourself available.

22 There's going to be a ten-minute recess so we can  
23 at that time have Mr. Menario make himself available, also.

24 (A short break was taken.)

25 (At this time John I. Menario was sworn.)

1                   SENATOR BALDACCI: Please be seated and state your  
2 name and occupation for the record, please.

3       A.     My name is John I Menario. I am president of  
4 Governmental Services, Inc., which is a government consulting  
5 company based in Portland, Maine, and also a senior partner  
6 in Menario Rust, which is a commercial and industrial  
7 brokerage firm also based in Portland.

8                   SENATOR BALDACCI: Mr. Menario, you've been here  
9 while Mr. Temple was giving testimony. Do you have anything  
10 at this time that you would like to inform the committee  
11 about or -- in other words, give any other information that's  
12 already been given?

13       A.     No, sir. I made myself available to answer any  
14 questions that members of the committee or your legal counsel  
15 wishes to address and I am here for that purpose.

16                   SENATOR BALDACCI: Mr. Asch?

17                   MR. ASCH: I thank Mr. Menario for being here. Mr.  
18 Flaherty has questions.

19                   EXAMINATION-BY ATTY. FLAHERTY:

20       Q.     This is not my first meeting with Mr. Menario. I'm very  
21 pleased to have you here. And in my role as majority counsel  
22 and part of the staff, Mr. Menario, I'm going to ask you  
23 first, if you are acquainted for purposes for which this  
24 committee exists?

25       A.     Yes, I am.

1 Q. You know then that it's been charged with responsibility  
2 to ascertain whether and to what extent there should be  
3 legislation recommended to amend or otherwise refine the  
4 means by which election reporting is made and the extent to  
5 which rate payers' money should be used for political  
6 purposes?

7 A. (Nods head)

8 Q. With that as other frame work then I would ask you at  
9 the outset if you would be kind enough to tell me whether you  
10 became involved in the referenda of 1980 and 1982 in your  
11 capacity as an individual or representative of Government  
12 Services?

13 A. In both cases it was a representative of Governmental  
14 Services, Inc. This was a contractual relationship in which  
15 I was making myself available to provide a variety of  
16 services. Those services differ in each of the two campaigns  
17 and I will spend a minute explaining to you the differing  
18 role.

19 In the first campaign of 1980, my role was quite  
20 substantial. I was the president of the Save Maine Yankee  
21 Corporation. I was chairman of the Save Maine Yankee  
22 committee. I was the chief spokesman, if not the exclusive  
23 spokesperson, for all of the arguments and public  
24 discussions of the issue. I was co-manager of the office  
25 staff, which I will explain in a moment. And I shared fund

1 raising responsibilities with Skip Thurlow.

2 He had responsibilities from the utility industry  
3 throughout the United States and my responsibility was  
4 primarily fund raising within the State of Maine. During  
5 that campaign, one of the firms selected to assist was a firm  
6 called Winner, Wagner of California. They were consultants --  
7 media consultants I tend to describe them and shortly after I  
8 began my assignment, they were engaged and they made clear  
9 that they would only take assignments where they had full  
10 managerial responsibility.

11 That clearly conflicted with my assignment and it  
12 was clear to the parties that I was discussing my role with.  
13 But I had no desire to be directed by any other party, other  
14 than my own independent direction and, therefore, that had to  
15 be compromised. I was prepared to leave my task. Winner,  
16 Wagner, however, decided, I guess, not all Maine people were  
17 farmers or clucks. They discovered I could talk and present  
18 myself well. So they found me acceptable to them. I'm not  
19 certain they were ever acceptable to me. But that was not  
20 the point. I continued my assignment in an independent  
21 capacity.

22 During 1982 when the second referendum effort began,  
23 it was generally felt it did not need the same degree of  
24 attention, the same degree of involvement by me as the first  
25 campaign did. And during the 1982 campaign, I agreed then to



1   lessen my role to really being chief spokesperson. We did  
2   not hire a staff as such and, therefore, an office management  
3   role was not required. The financial process was pretty well  
4   in place in the first campaign so I did not have major  
5   responsibilities in fund raising the second time around. And  
6   many of the things we learned the first time around shortened  
7   the task. So my role was strictly chief spokesperson.

8   Q.   Have you finished that presentation?

9   A.   I think so.

10   Q.   Mr. Menario, you were here this morning while Mr. Temple  
11   testified to this committee. Did you listen to his  
12   chronology of the origins and scope as he described it of --

13   A.   I did.

14   Q.   -- the Save Maine Yankee?

15   A.   I did.

16   Q.   I would like to ask you for the record since you have  
17   indicated generally what your role was, more specifically  
18   when and how did you first become involved with Central Maine  
19   Power with respect to this referendum -- 1980 referendum.

20   A.   Let me give you my best recollection recalling  
21   Representative Kelleher's question as to when did the initial  
22   meeting take place. I'm not -- I do not have a precise date.  
23   It is my recollection that I was called by Norm Temple  
24   sometime in February or March of 1980. That's my  
25   recollection. He asked if I was willing to come to Central

1 Maine Power Company and meet with Mr. Thurlow and discuss  
2 with he and Mr. Thurlow the possibilities of my taking on an  
3 assignment relating to the referendum.

4 I agreed a willingness to do that, went to the  
5 Central Maine Power offices in Augusta, had a lunch with Mr.  
6 Thurlow and Mr. Temple. It was a lunch of about an hour, an  
7 hour and a half duration. We discussed the referendum  
8 generally. They asked if I had ever been involved in  
9 statewide referendums. I told them I had not been. They  
10 also knew I was never a political candidate or active in any  
11 political -- partisan political cause so, therefore, did not  
12 have knowledge of a partisanship election.

13 They asked me if I would be uncomfortable at all  
14 taking on the assignment. I indicated that I was comfortable  
15 with the topic, that what I had read about the technology of  
16 nuclear power allowed me to be comfortable in espousing it as  
17 being a safe and efficient method of energy, also indicated  
18 that I would prefer not to be engaged by Central Maine Power  
19 by the task. I said that both for practical and political  
20 reasons, believing as I did then and became more strongly  
21 convinced later on, that the best political effort to save  
22 the plant was not to become a paid hired hand from the  
23 company, but to try to represent a broader-based interest.

24 At that point in time to get to the issue that I  
25 know would concern you and the committee is whether, in fact,

1 the effort was really a Central Maine Power effort, closed in  
2 some sort of citizen perception. Now, that's a delicate  
3 question. It is when does the company's interest cease and  
4 when does the citizen base begin? I'm not certain I can  
5 answer that question for you. I can give you my perceptions  
6 of it.

7 Since I had an interest in wanting to represent a  
8 broader based committee interest, I struck my initial deal,  
9 though, with the president of Central Maine Power Company.  
10 He made clear to me that they would make the resources  
11 available initially to get the process under way. I was  
12 concerned time was of the essence. This was a special  
13 election in 1980. The vote was to take place in September  
14 and I was chatting with these people in February or March  
15 which suggested we didn't have an awful lot of time to  
16 dillydally.

17 By the same token I didn't feel I could appoint  
18 myself, even though I was willing to chair the committee, and  
19 therefore, I needed someone to negotiate my arrangements with.

20 It's my recollection that Skip Thurlow and I  
21 negotiated the arrangement in the absence of Norm Temple in a  
22 meeting held a week or so after my initial lunch meeting. We  
23 discussed terms, financial arrangements, and commitment of  
24 time.

25 I indicated given the magnitude of the task and

1 given the fact that I had to form the new company, that I  
2 perhaps would have to give nearly full time to the assignment,  
3 although indicated the need to oversee some other client  
4 activities.

5 Mr. Thurlow was agreeable with that effort. It was  
6 understood that in 1980 I would be responsible for hiring the  
7 staff, that I would assist in helping to identify people on a  
8 letterhead committee that I think carried with them some  
9 prestige within their own constituency.

10 However, I made clear that I did not wish to work  
11 for a committee. I had come through a local government  
12 process where committees were not necessarily the expedient  
13 way to get things done and we needed to get on with an  
14 assignment in which expediency was important.

15 I, therefore, indicated a willingness and a desire  
16 to have the decision-making process handled by a very small  
17 group which I tend to refer to as the directors of the Save  
18 Maine Yankee Corporation. This is not the steering committee  
19 as defined by Mr. Temple. My recollection and I did not  
20 research this, so I will apologize if research discloses  
21 otherwise, but it's my recollection that the directors that  
22 were then put in place to start the corporation known as the  
23 Save Maine Yankee Corporation was Michael Healy, Potholm, and  
24 myself, and Skip Thurlow. I think the four of us constituted  
25 the directorship.

1 I wanted to take my marching orders from the  
2 collective wisdom of those four people, making clear, though,  
3 as I did throughout the campaign that the entity that had the  
4 most to lose if I was not performing adequately was Central  
5 Maine Power itself. And I made clear that if there were  
6 things that I were doing that were not pleasing to Skip  
7 Thurlow, that I wanted him to tell me that because I  
8 preferred to be guided by his thoughts. If I felt that he  
9 and I were to be in conflict for reasons of ethics or morals  
10 or otherwise, I would leave the campaign. I never had that  
11 difficulty.

12 I met once or twice with the letterhead committee.  
13 It is my opinion those meetings were more for public  
14 relations. I did not seek from them guidance or direction.  
15 I did not meet with them frequently to see if what I was  
16 doing met with their approval. My role was to work for a  
17 very small group of directors. At least once a week I would  
18 meet with the directors in order to brief them on how well  
19 the campaign was doing, how well fund raising was coming,  
20 what groups we had secured support from.

21 I had a series of letters that were targeted to a  
22 variety of groups and it was my purpose weekly to report to  
23 the director. In 1980 most of those directors' meetings were  
24 held at the Save Maine Yankee office which was leased  
25 quarters in Augusta.

1                   However, once a month we went to Central Maine  
2 Power Company at which time a broader group of people of  
3 interest from around the country, as well as from Maine,  
4 would sit in as described by Mr. Temple of being the steering  
5 committee. They listened, had points of view, offered advice  
6 from time to time. However, whenever it was a matter of  
7 direction, that direction and terms of technical voting was  
8 limited to Healy Potholm, Thurlow, and myself, and I can  
9 think of very few occasions where formal voting was required.

10                   In terms of when does the company's interest cease  
11 and when does the assignment of building a citizen's  
12 committee take place, it is my recollection that, although I  
13 struck my formal dealing with Skip Thurlow, that I believe  
14 the records will disclose -- the Save Maine Yankee records  
15 will disclose that my contractual relationship is then  
16 brought before a directors' meeting and adopted by and  
17 accepted by the directors, as I recall, Mr. Healy's  
18 assignment as legal counsel and Mr. Potholm's assignment as  
19 pollster or consultant as whichever.

20                   Again, I do not, never did believe that the  
21 citizens' committee performed the role of a director. The  
22 analogy I would tend to set forth is that they tended to be  
23 more the corporators in a mutual savings bank. They were  
24 there -- they were there for reasons of prestige and  
25 political support.

1 I must admit the letterhead members called me often.  
2 I gave them my time. I listened to their points of view and  
3 often times had a good one, and I tended to follow it and I  
4 did it more because I thought their position was persuasive  
5 and not because I felt they had the authority to direct the  
6 campaign.

7 Q. Mr. Menario, thank you. Are you able to tell us by  
8 virtue of your position as the head of that committee or  
9 otherwise, how much monies actually came from Central Maine  
10 Power Company to that committee?

11 A. No, sir, I can't. I tried as you were asking that  
12 question this morning. My recall may not be good. In 1980  
13 my recall is that we raised somewhere in the order of 850 to  
14 \$890,000, round figure. My recollection is that about half  
15 of that, maybe 55 percent of that came from the power  
16 industry throughout the United States and that it seemed -- I  
17 seem to recall that my own efforts collectively in Maine  
18 raised somewhere in the order of 300 to 350, maybe even  
19 \$400,000.

20 How much of that of the state-raised money did  
21 Central Maine Power put in, I don't recall. I'm going to  
22 guess 50,000, but it's a wild guess.

23 Q. Do you have any idea based upon the position you were in  
24 how many -- whether a substantial amount of man-hours was  
25 expended by personnel of Central Maine Power Company in

1 assisting your committee?

2 A. During 1980 I would dare say that, other than to  
3 get-out-the-vote effort, they were not -- and other than  
4 appearing at the weekly and monthly briefings that I would  
5 conduct, very few of them had hands-on responsibilities for  
6 the campaign. That was not the case in the second campaign,  
7 though, when based upon a desire to do it at less cost and  
8 trimming the staff, I tend to recall and do recall more  
9 people within the Central Maine Power organization offering  
10 hands-on activities, assisting in the evenings and making  
11 telephone calls. But I was not directly responsible at the  
12 second campaign as I've informed you for the management of  
13 the staff, so what I recall was by casual observation, the  
14 few occasions when I would be in Augusta during the 1982  
15 campaign.

16 Q. Did the Save Maine Yankee committee have any hired  
17 regular or part-time employees to do that kind of work?

18 A. Yes, we did. In the 1980 campaign we had an office  
19 staff, we had a secretary who I hired. We had two field  
20 representatives who I hired. And I think we might have had  
21 one or two part time people. I don't recall that all that  
22 well. All of the people, the two field coordinators and the  
23 office secretary and I, were on the same Maine Yankee payroll.  
24 I think we had a loaned executive from Central Maine Power  
25 that was assisting us in processing our bills in sort of an



1 accounting capacity, keeping the books, and assisting Michael  
2 Healy in the preparation of the required legal financial  
3 reports;

4 In the second campaign of 1982, I recall that we  
5 had only one person, one staff person. That person was a  
6 secretary. That person was placed in a field office in  
7 Augusta that had no other activities associated with it. And  
8 I did not hire her because of my limited role in the second  
9 campaign. I can't tell you how she was hired.

10 Q. Based upon your testimony here, would I be correct in  
11 concluding that if you disagreed with Mr. Thurlow's policies,  
12 you would no longer head up Save Maine Yankee?

13 A. Yes. If he had suggested a direction or things for me  
14 to say that I did not either believe in or feel comfortable  
15 with, I would not have continued in the assignment. That's  
16 correct.

17 Q. And so I would conclude that, and you correct me if I'm  
18 wrong, that the direction of that committee and the methods  
19 by which it would pursue its goals would be with the approval  
20 of Mr. Thurlow?

21 A. As a technical matter, no, because the directorship  
22 represented three out of four members who are not employees  
23 of Central Maine Power Company. But as a practical matter, I  
24 would not have wanted to do anything that was so disruptive  
25 to Mr. Thurlow's feeling or opinions that I would have left

1 the committee. So as a practical matter, Mr. Thurlow's  
2 influence on the Save Maine Yankee committee was significant  
3 and I acknowledged that then and acknowledge that now.

4 Q. As a practical matter, would it not be fair to conclude  
5 based on your experience with that group that the directors  
6 would have been in the same position as you?

7 A. I'd have to let them speak for themselves.

8 Q. Okay. Now, you mentioned that Central Maine Power  
9 Company had loaned an executive in the second campaign or was  
10 that the first campaign?

11 A. No, they were loaned people in both campaigns. I just  
12 recall more of them in the second campaign, than in the first  
13 one.

14 Q. I know you're operating without notes, but are you able  
15 to identify those people by name?

16 A. In the first campaign I recall Mr. Leason being quite  
17 actively involved, I -- and Mr. Temple being quite actively  
18 involved. There may have been others. I just don't recall  
19 it that well in 1980. Those are the only ones I recall  
20 seeing on a very frequent basis. In 1982, Pat Lyden in  
21 addition to Mr. Leason, and Mr. Temple, and Mr. Scott. Those  
22 are the people that I recall being somewhat active in the  
23 second campaign, more so than in the first.

24 Mr. Lyden to a great extent he is the person that I  
25 coordinated with at Central Maine in getting decisions

1 implemented and making sure certain things were being carried  
2 out. And because I had a limited management function, the  
3 second time around Mr. Lyden assumed many of those management  
4 functions.

5 Q. Could you give the committee a little more detailed  
6 picture of your -- the nature of your day-to-day functions in  
7 that period of time, as briefly as necessary --

8 A. Sure.

9 Q. -- on behalf of the committee.

10 A. The first campaign?

11 Q. Yes.

12 A. The first campaign was intensive, early mornings to late  
13 in the evening, hiring staff, grooming staff, composing  
14 letters, making speeches, specifically soliciting money from  
15 people who had indicated a willingness to give or who I felt  
16 were capable of giving. Coordinating support through  
17 Chambers of Commerce, other groups that were recognizing the  
18 importance of inexpensive energy to Maine users,  
19 agricultural groups.

20 I spent a fair amount of time understanding and  
21 educating myself on the technology knowing that most of the  
22 debates would be technical in nature, that I would be up  
23 against people with long experience in the issues of  
24 radiation, power, relationships of power, expenses, other  
25 modes of generating electricity. And I spent a fair amount

1 of my time educating myself, turning myself into technical  
2 people at Central Maine who would help in my education and  
3 also reading.

4 It was six intensive months virtually daily trips  
5 to Augusta, overseeing the staff, preparing agendas, seeing  
6 that we were on schedule, and at night appearing on talk  
7 shows and television debates.

8 Q. What role did Mr. Scott -- you made mention of Mr. Scott  
9 in 1982. What role did he play in your committee's work?

10 A. I recall him -- I'm not even certain I recall him in the  
11 1980 campaign and I'll be embarrassed if he was there.

12 Q. I'm sorry. I thought you said 1982.

13 A. I did. I don't recall him in 1980. In 1982 he was  
14 involved I can't specifically tell you what his assignment  
15 was. My role as I say in '82 was mostly to be on the road as  
16 the chief spokesperson. And I did not have daily management  
17 responsibilities. I'm sorry. I would be guessing if I told  
18 you what his assignment was.

19 Q. You made mention of I think you said Dr. Potholm?

20 A. Yes.

21 Q. When did you first have anything to do with Dr. Potholm  
22 in relation to your job as the director or president of Save  
23 Maine Yankee?

24 A. My recollection is that either just prior to having  
25 agreed with Skip Thurlow that I would take on the assignment,

1 I seem to recall that he wanted me to meet Dr. Potholm. I  
2 did not know Dr. Potholm either by name or reputation at that  
3 time. I'm not certain whether Dr. Potholm had then been  
4 formerly engaged or whether he was there to assist Skip  
5 Thurlow size up or whether I was the person that could assist  
6 their effort. But I do recall meeting with him in Mr.  
7 Thurlow's office about the time that I was involved myself  
8 formally with the arrangement.

9 Either that day or soon thereafter I was advised  
10 that Mr. Potholm would be a member of the team and then he  
11 became a weekly attender at strategy meetings and I then got  
12 to know him quite well.

13 Q. And you've indicated previously here this morning that  
14 he was one of the directors of the --

15 A. As I recall it, yes.

16 Q. And he was, if I understand your recent testimony here,  
17 he was a designee of Mr. Thurlow?

18 A. I do not know if he was a designee of Mr. Thurlow.

19 Q. But it was Mr. Thurlow who told you that he would be a  
20 member of the team?

21 A. That is correct.

22 Q. Did Mr. Thurlow tell you also that he himself would be a  
23 member of the team?

24 A. I urged that he would be. I told him -- and I'm certain  
25 he was prepared to be, although I'm not clear on that -- I

1 told him that since we would be accused of being a front for  
2 the company, they ought to be right there with us so that I  
3 could make clear to the public that CMP's interest is, in  
4 fact, significant both financially and through the  
5 involvement of their chief executive.

6 Q. And was it Mr. Thurlow who advised you that attorney  
7 Healy would also be on the board?

8 A. I don't recall how that came about. All I know is that  
9 at an organizing meeting Michael Healy appeared. I think I  
10 knew him before that and I was then aware that he was going  
11 to be part of the team.

12 Q. And would it be fair to say that you did not go out and  
13 determine who would be counselor or a director --

14 A. It's not only fair to say, it's accurate.

15 Q. And you did not hire Mr. Healy?

16 A. That's correct. Again, I might say, although I know the  
17 technical process and the practical aspects of the question,  
18 I believe that the Save Maine Yankee Corporation once formed  
19 that the directors did vote to engage me, Mr. Potholm, and  
20 Mr. Healy. But the process of us getting to the table in my  
21 judgment was at the advice and request of Skip Thurlow.

22 Q. Okay. Now, at the time you became first acquainted with  
23 Mr. Potholm, as you've described it, I take it you were  
24 interested in ascertaining A, why he was going to be a  
25 director; and B, what role he was going to play; is that a

1 fair question?

2 A. It's a fair question, but it was not a concern of mine.

3 Q. Okay. What did you understand was to be Mr. Potholm's  
4 role?

5 A. It was my understanding that he would be a political  
6 consultant and would be doing some track polling along the  
7 way.

8 Q. Some track polling.

9 A. Well, I use the word track. I'm not so certain that's  
10 technically correct. Let me explain what I later understood  
11 as we began to move forward as a group of directors.  
12 Initially we needed to hire a pollster who would do the basic  
13 opinion and polling, and Cambridge was engaged to do that.

14 We also needed to engage an immediate consultant,  
15 and Winner, Wagner after competition from several firms was  
16 decided by the committee, the directors. It was Allen Shorts.  
17 Then it is my recollection that we wanted to have a weekly --  
18 I use the word tracking, I'm not certain it's used in the  
19 technical sense of polling -- but we wanted to follow the  
20 process by which our effort was being understood and  
21 supported by the Maine people.

22 And at that point I realized that Mr. Potholm had a  
23 polling firm known as Command Research and that Command  
24 Research presented a proposal and it was accepted by the  
25 directors. And, therefore, Command Research was hired, I

1 think to give us weekly rulings of our efforts.

2 Q. This morning you heard me ask Mr. Temple, Mr. Menario,  
3 what he perceived to be the role of the steering committee.

4 A. Yes.

5 Q. Would you be good enough to tell us what, as you viewed  
6 it, was its role.

7 A. The steering committee as I perceived them, this was the  
8 monthly gathering of not only the four directors, Mr. Healy,  
9 Mr. Potholm, myself and Skip Thurlow, but occasionally -- I  
10 have to remember his name -- a gentleman from the hardware  
11 industry, General Electric.

12 Q. Keagan?

13 A. James Keagan would appear usually once a month. And  
14 Fred Webber would also appear once a month. He was  
15 representing National Power Association. Other than that I  
16 don't -- and obviously our own media consultants, Winner,  
17 Wagner, would be there at least once a month.

18 And that was the purpose of that. Primarily was  
19 for me to brief everyone on the results of the current status  
20 of fund raising group, sponsorship, upcoming debates, and  
21 speeches, and enlisting ideas and points of view. So from my  
22 point of view it was a sounding board. I recall very little --  
23 I don't recall any direction coming out of that group, other  
24 than thinking out loud.

25 Q. Do you know how Mr. Keagan as director of state and



1 local government relations of Westinghouse Electric Corp.  
2 came to be on the steering committee?

3 A. That's why I would not call it a committee. I never  
4 called in a steering committee. That was Mr. Temple's  
5 description. I just called it a group of interested people  
6 who came at least once a month to participate in a briefing  
7 by me to my directors on how well the campaign was doing.

8 Q. Do you know why he would have been interested in --

9 A. I assume then and it's my assumption today that given  
10 the fact that his company had a fair amount of their future  
11 committed to providing hardware to that industry, that a  
12 public effort to close down the plant was a matter of  
13 significance I would assume and, therefore, his attention to  
14 our effort was to see to what extent he could be helpful.

15 Q. And Mr. -- you've mentioned Mr. Fred Webber.

16 A. Yes.

17 Q. He was representative of the Edison Electric Institute;  
18 is that correct?

19 A. That's my understanding.

20 Q. Now, did you consider his interest to be along much the  
21 same lines as that of Mr. Keagan?

22 A. That's correct.

23 Q. Do you know how they happened to come to serve or  
24 otherwise participate in these meetings?

25 A. I would guess that both of them offered their services

1 if they could be helpful and I would guess that they were  
2 advised that they were welcome to sit in.

3 Q. But this was not, I take it, and you correct me if I'm  
4 wrong, at your insistence they became involved?

5 A. No, they were not involved by me. By the same token I  
6 had no objections to their being there.

7 Q. Would it be fair to say that none of the people who  
8 served on that committee as Mr. Temple says or attended those  
9 meetings as you say was an invitee of yours initially?

10 A. That's correct.

11 Q. They were all there because someone else had arranged to  
12 have them there and communicated with them?

13 A. That's correct.

14 Q. And that someone else was more likely than not Mr.  
15 Thurlow?

16 A. More likely it was. However, if I felt quite strongly  
17 in a negative since, I think he would have taken that into  
18 consideration, but I didn't.

19 Q. Sure. Now, back to Dr. Potholm for a few moments. You  
20 mentioned the fact that you understood or came to understand  
21 that he had a polling company and that your committee had a  
22 need for polling activity. Did you know that Central Maine  
23 Power also had a polling company?

24 A. Again, we've got to separate the two campaigns.

25 Q. Please do.

1 A. It's my understanding in 1980 that Central Maine Power  
2 did not have the polling company and our contractual  
3 relationship was with Command Research. In the second  
4 campaign in which I was only the chief spokesperson and did  
5 not have full-time managerial responsibilities, I was advised  
6 that we would be using Atlantic Research for the weekly  
7 polling or tracking, as I tend to say. And I was also  
8 advised that that was a subsidiary of Central Maine Power  
9 Company.

10 Q. You say you were advised, Mr. Menario.

11 A. Yes.

12 Q. Who advised you that that would be the company that  
13 would be used?

14 A. It took place at one of the directors' meeting and it  
15 was made clear by Mr. Potholm or Mr. Thurlow, and I don't  
16 recall which.

17 Q. Were you given an explanation as to why there was a  
18 transfer from Command Research to Atlantic Research?

19 A. No, I wasn't given an explanation. I asked a question  
20 of concern to me. I had two concerns. One, whether it would  
21 be perceived as a company undertaking of a referendum when,  
22 in fact, we had gone to some great length in the '80 campaign  
23 to build a broad-base group. I also had concern for  
24 technical reasons and I knew Central Maine Power files and  
25 records were a matter of public record for PUC and I was

1 sensitive to our polling and did not wish to have any polling  
2 undertaken for a private nonprofit corporation to which  
3 government had access to.

4 I was then advised, as I recall it, by Mr. Healy  
5 that the product of work done by the subsidiary would not be  
6 within reach of the public utilities in the normal reaching  
7 end of the utilities' activity at that time. With those two  
8 questions then resolved to my satisfaction I had no  
9 objections to having been advised that Atlantic Research  
10 would be the polling firm.

11 Q. You do understand, Mr. Menario, and I know from the past,  
12 that you have the ability to understand that one of the  
13 functions of this committee and obligations is to ascertain  
14 right up front to the extent that it can how, if at all,  
15 funds flowed from Central Maine Power or any other regulating  
16 utility to political candidates in forms of sense of value or  
17 otherwise so that it might make appropriate recommendations  
18 to the next legislation.

19 Having that in mind so there will be absolutely no  
20 mystery about it, I'm asking you whether you had anything to  
21 do with the polling activity of Mr. Potholm in your capacity  
22 as director; and if so -- and that's a very broad question.  
23 I appreciate your telling me in what respects you did.

24 A. I did not understand polling then. I don't understand  
25 it now. I was present each week when the results of his work

1 would be made available to the directors or the group of  
2 others who attended on the monthly basis. I would  
3 occasionally ask questions since I didn't understand all of  
4 what was going on. That's the extent of my involvement in  
5 Mr. Potholm's activities.

6 Q. Based on what you said now, should I fairly conclude  
7 that he was conducting an ongoing polling activity throughout  
8 that period for your committee?

9 A. That's correct.

10 Q. And that he was reporting on it on a weekly basis?

11 A. At least weekly. The startup might have been not quite  
12 as frequent, but I would bat from June into the September  
13 election. The first time around it was probably done on a  
14 weekly basis.

15 Q. Do you know who conducted the interviews --

16 A. No, I do not.

17 Q. -- in the process of this poll taking?

18 A. No, I do not.

19 Q. You don't know whether this was done by Central Maine  
20 Power personnel?

21 A. No. My -- it was my assumption certainly the first time  
22 around when Command Research was doing the work, that they  
23 were people engaged by Mr. Potholm, but that that's only an  
24 assumption. I don't know.

25 Q. On whose behalf was he making these or taking these

1 polls, the results of which he was reporting to you and  
2 others on your committee weekly?

3 A. On behalf of the Save Maine Yankee committee.

4 Q. That was on behalf of your own committee?

5 A. That's correct.

6 Q. Did you become aware at that time that he had also  
7 conducted polls or a poll at least for New England Telephone?

8 A. I was unaware of it.

9 Q. Did he give you the results of his polling activity as  
10 they related to responses to the making or tracking questions?

11 A. Regarding the work he was doing for our committee?

12 Q. Yes.

13 A. I only recall him briefing me in the presence of the  
14 committee members of why masking questions were used.

15 Q. And did he continually use those -- the answers to those  
16 questions to give you updated information on the status of  
17 the trend or curve regarding your question?

18 A. I don't know what he was basing his opinions on, but he  
19 would weekly tell us the extent to which we were growing  
20 stronger or weaker, or to what extent our support was strong  
21 support or weak support. But I can't tell you what responses  
22 he was analyzing to do that.

23 Q. Do you know whether he, in fact, provided any of this  
24 information or shared any of this information or swapped any  
25 of this information with political candidates?

1 A. I do not know.

2 Q. Were you ever present when he was authorized to do this  
3 or by Mr. Thurlow or any other representative of Central  
4 Maine Power Company?

5 A. No, I was not.

6 Q. Were you --

7 A. Let me --

8 Q. I'm sorry.

9 A. I just want to make sure on the second campaign an  
10 urging by all of us that Mr. Thurlow make the results of some  
11 of our work available to the governor. In the first campaign,  
12 1980, in which Cambridge did a very extensive polling called  
13 Attitudes in Maine, I made available to the governor, advised  
14 the then governor, Governor Brennan, of some responses to  
15 questions that were in that report that I thought he would be  
16 interested in. And on a couple of occasions with knowledge  
17 of the committee during the 1980 campaign, I also advised the  
18 governor, Governor Brennan, on how well our own efforts were  
19 going.

20 In the second campaign, 1980, there was a reduced  
21 role on my part. I did not have a need to know that  
22 information and, therefore, chose not to receive the weekly  
23 copies. I would receive it during the briefing, but passed  
24 them back in afterwards. And during the second campaign,  
25 other than the urging of Mr. Thurlow to brief the governor, I

1 do not recall any other person being authorized to make  
2 information available to any other candidate.

3 Q. When you became associated with Mr. Potholm, did you  
4 become aware of any other activities in which he was involved  
5 and specifically political activities at that time?

6 A. Only that during the informality of the day when we  
7 would be together, I became more aware of the extent to which  
8 he had an extensive polling -- extensive may be the wrong  
9 word. I was aware that he did other polling for other people.

10 Q. Do you know who any of those people were?

11 A. No, other than I know he did polling for other political  
12 candidates. I never asked who they were. He never offered.

13 Q. But I'm concluding fairly then from what you said that  
14 you did become aware in those discussions of his activities  
15 in polling on behalf of other political candidates?

16 A. That's correct. But your question was did I recall it  
17 specifically for New England Tel; and I said, no.

18 Q. Your answer is you do not recall or know the identity of  
19 any of those political candidates?

20 A. That's correct.

21 Q. Now, in the course of development of this polling data  
22 were you made acquainted with the kinds of questions which  
23 were being included in the interviews?

24 A. Again, you're referring to polling he was doing for the  
25 Save Maine Yankee committee?



1 Q. Yes. And I am assuming because that's the only one  
2 you're familiar with.

3 A. You're correct in assuming that. Yes. He would  
4 occasionally make drafts of the questionnaire available to  
5 members of the directors. It was not my thing. I was not  
6 knowledgeable in polling in what made for good technical  
7 polls. So other than being inquisitive, I had no concerns  
8 with any of the questions being evaded.

9 Q. Did he attempt to explain to you the rationale behind  
10 the use of certain kind of questions

11 A. He may have from time to time. I don't specifically  
12 recall him doing that, but it would --

13 Q. It did not advance your knowledge of polling questions?

14 A. I hated to embarrass him, but it didn't.

15 Q. Excuse me one minute.

16 (Discussion off the record.)

17 Q. Mr. Menario, I'm reminded by the staff director here  
18 that we found no such written materials of what would have  
19 been apparently passed out at your meeting. Do you know what  
20 might have happened to that, Mr. Potholm's written material?

21 A. No, I don't. I know when I was asked to deliver up  
22 information to my files, I have a habit when I get through an  
23 assignment to get rid of the files. I'm not a saver of that.  
24 And I don't personally recall finding any of my own files.  
25 They were sort of summary sheets. They normally would be one

1 or two pages stapled together. I can see the format.

2 Basically we would be getting a result on how well  
3 we were doing, the pro and con of our issue, and then usually  
4 several of the major questions that were being asked like a  
5 candidate preference or during the second campaign as you  
6 know it coincided with general elections. So that the issue  
7 of Brennan and Cragin was being identified.

8 We were also -- as I recall it the second time  
9 around we were following the milk issue. I don't know if  
10 that was a masking question or not, but we were getting a  
11 peak at how well the milk commission issue was doing. And  
12 then it seemed to me there was some national candidate  
13 results that were on the same sheet.

14 All I know is during the first campaign I saved all  
15 mine weekly. When the campaign was over, I think I threw all  
16 of my materials away. During the second campaign, I elected  
17 not to take any of those weekly reports with me. I'm  
18 surprised though that your staff would not have found them in  
19 the central file of the Save Maine Yankee committee because I  
20 did have a file there and I would be surprised if those  
21 weekly status polls were not in my main file.

22 Q. Excuse me.

23 A. Sure.

24 (Discussion off the record.)

25 Q. In the case of the second referendum, as I recall your

1 testimony, the polling was done by and through Atlantic  
2 Research.

3 A. That's correct.

4 Q. And would you be surprised if we found none of those in  
5 your central file?

6 A. Over the years, nothing surprises me.

7 Q. Would you be as surprised as you were a moment ago about  
8 the other file?

9 A. No, I guess not. I just -- it just seems to me the  
10 frequency of those reports would have suggested somewhere  
11 along the way you would have come upon them.

12 Q. In either case?

13 A. In either case.

14 Q. Okay.

15 Q. Excuse me.

16 (Discussion off the record.)

17 Q. Mr. Menario, that's all I have of you.

18 MR. FLAHERTY: Mr. Chairman?

19 SENATOR BALDACCI: Mr. Linnell, any questions that  
20 you might have?

21 EXAMINATION-BY ATTY. LINNELL:

22 Q. Again, just briefly. In the 1982 campaign I think you  
23 indicated that you were urged by Mr. Thurlow to brief the  
24 governor of some results that you were finding in your poll.

25 A. No, sir. It's the other way around.

1 Q. The 1980 campaign?

2 A. No. In the 1980 campaign I got authorization to provide  
3 the governor with some information on how we were doing and  
4 also to give him some of the excerpts of the Cambridge poll  
5 an opinion that identified his relationship in the minds of  
6 Maine people. In the 1982 campaign, we urged Skip Thurlow --  
7 the directors urged Skip to make the information available to  
8 the governor on how well the governor was doing.

9 Q. And do you know whether or not that was done?

10 A. No, I don't.

11 Q. Are you aware of any other political candidate during  
12 1982 that was -- that he was urged to advise as to how they  
13 were doing as a result of the polling?

14 A. There was no other in my presence.

15 MR. LINNELL: That is correct. Thank you.

16 SENATOR BALDACCI: Are there any questions of the  
17 committee members of Mr. Menario?

18 Representative Kelleher.

19 EXAMINATION-BY REPRESENTATIVE KELLEHER:

20 Q. First of all, Mr. Menario, you're a very talented and  
21 articulate fellow. And what was the name of the crowd from  
22 California?

23 A. Winner, Wagner.

24 Q. Well, I'm sure you convinced them that we in Maine do  
25 raise some intelligent people. And I can understand why

1 you're so highly respected and thought of. And you certainly  
2 represented the group for Maine Yankee, which you were  
3 employed, well.

4 And in regards to Maine Yankee, John, you were the  
5 principal spokesman for that group. In -- let me just go  
6 back a minute. When you first met with Mr. Temple and Mr.  
7 Thurlow in 1980, do you recall when it was when you had your  
8 meeting and lunch at CMP?

9 A. I wish I could be more precise. I recall it being  
10 February or March of that year and I know it had to be around  
11 then because I think my own work began for the committee in  
12 April.

13 Q. In April.

14 A. And I would have reasoned we would have had to meet and  
15 discuss and resolve our understandings before then.

16 Q. At that first meeting did you and the other two  
17 gentlemen make a general outline of what you expected, one,  
18 that you would be doing if, in fact, you agreed to take the  
19 assignment?

20 A. No. We didn't go that far at the first meeting. In  
21 fact, it's my recollection that they were really comparing me  
22 with another person. They were also considering wanting to  
23 head up this and I'm not certain that -- when I left the  
24 meeting, I wasn't entirely certain they were comfortable with  
25 me.

1 Q. Okay. But subsequently after that you were hired?

2 A. Yes.

3 Q. Would you say a week, two weeks, a month?

4 A. Yeah, I would say within two or three weeks I was  
5 advised that they were comfortable with me and that we ought  
6 to get on with it.

7 Q. Okay. In February or March or even early April?

8 A. Yes.

9 Q. I have a draft here, John, of a memorandum that you sent  
10 to Mr. Thurlow on April 16, 1980. And the subject is I'll  
11 give you a copy. Preliminary thoughts regarding organization  
12 and markets strategy for referendum of Maine Yankee.  
13 Obviously this committee has kind of a broad mandate what  
14 it's doing and often times I'm not sure where we're going.  
15 But I was interested in reading this and I'd like to go  
16 through it with you and just get some understanding of what  
17 it's all about and I believe the committee has a copy of this.

18 SENATOR BALDACCI: You're correct, Representative  
19 Kelleher.

20 Q. It's to Mr. Thurlow, president of Central Maine Power,  
21 dated April 16, 1980, from the witness, John E. Menario, and  
22 the subject is preliminary thoughts regarding organization  
23 and market strategy for the referendum on Maine Yankee. You  
24 begin by saying, I thought it might be helpful to prepare  
25 some very preliminary thoughts regarding an organizational

1 and marketing strategy for the Maine Yankee referendum. And  
2 these ideas need to be refined and very carefully analyzed  
3 and perhaps modified where necessary before they are ready  
4 for implementation. They are offered, however, as a frame of  
5 reference for a decision that may should made fairly soon.

6 And I'm assuming by this time you're in employment  
7 or you're being considered for employment; or rather are you --

8 A. I don't know the answer.

9 Q. You don't know the answer?

10 A. No, I don't.

11 Q. This is April 16, 1980?

12 A. I would guess by now I've been employed, but that's a  
13 guess.

14 Q. By whom?

15 A. I think I struck my first deal, as I told Counsel  
16 Flaherty, with Skip Thurlow.

17 Q. CMP?

18 A. Yes, I don't want to split hairs with you, but it was  
19 understood that my assignment was to form a citizens  
20 statewide committee. And although I initially struct my deal  
21 with Skip Thurlow and, therefore, CMP, the assignment was to  
22 really undertake a broad-base committee.

23 Q. Okay. We'll go from there for the moment. And you  
24 outlined campaign objectives. I've noted below what I  
25 consider to be Central Maine Power Company's primary

1 objective in the coming campaign. And I list them in their  
2 order of importances to the company, as you saw it at that  
3 moment.

4 And you outline them, priority 1, to win.

5 2, to win in a manner that will not adversely  
6 effect the Sears Island proposal.

7 3, to win in a manner that will not adversely  
8 effect future development of nuclear power plants in the  
9 State of Maine or in the United States.

10 And 4, to win by a substantial margin in order to  
11 demonstrate the public confidence in nuclear power. This  
12 will assist in strengthening investors' confidence and in  
13 financing future nuclear power objectives, which seemed a  
14 reasonable outline at that point.

15 Was there any deviations from this general outline  
16 in your belief of what the theme should be at that particular  
17 time?

18 A. Well --

19 Q. Knowing this is a draft, of course.

20 A. As I look through the draft, and it's probably the first  
21 time I've seen this since I offered it in 1980, very little  
22 of my overall organizational suggestions were, in fact  
23 implemented once the directorship got into thinking and  
24 discussing. However, I can say to you that the campaign  
25 objectives that I laid for them appeared appropriate then and



1 seem appropriate today.

2 Q. And I continue. If the above objectives actively  
3 reflect the company's position, then all published material  
4 and advertisements which we control should not be in conflict  
5 with any of these primary objectives.

6 On page 2 you begin to structure an organizational  
7 program. And I continue, the ideal organization is one which  
8 will have central control and coordination, but which is  
9 perceived by the general public as a decentralized grassroots  
10 effort. And such a decentralized organization also provides  
11 major advantage of apportioning resources among the several  
12 citizens' committees, thereby lessening the giant killer  
13 problem. The opponent will be forced to attack Maine's  
14 concerned citizens, which is a much more formidable task than  
15 attacking the corporate giant called CMP.

16 Getting back to the first sentence of that  
17 paragraph, the ideal organization is one which has central  
18 control. Would you mean that to be a steering committee or  
19 an executive committee of all the other committees?

20 A. No. A more direct one that would be controlled by me or  
21 a very small number of directors.

22 Q. Okay. Which is perceived by the general public as a  
23 decentralized grassroots effort. What's that mean?

24 A. Just what it says. It was my thought at the time and my  
25 thought today that if you're trying to save a major power

1 plant, that it's best to try to save that through concerned  
2 citizens of Maine than through the effort of the chief  
3 executive officer of Central Maine Power.

4 Q. Who met with you for your employment, of course?

5 A. Exactly correct.

6 Q. With the several meetings in effect we have several  
7 moving targets which is much more difficult to hit than a  
8 large stationary one, meaning the power industry itself -- I  
9 am assuming that's what you meant.

10 A. No. See, you're wrong because at this point in time I  
11 begin to define an organization that never took place. There  
12 were no committees structures, as identified on the sheet.  
13 There were no five subcommittees. There was a single Save  
14 Maine Yankee committee.

15 Q. Well, what you finalized and what your outline is is two  
16 different things?

17 A. That's exactly correct.

18 Q. I'm looking at it from the point of view of what  
19 legislation might be suggested by this committee in terms of  
20 any subsequent referendum questions or what have you where a  
21 grassroots committee which is made up of a variety of people  
22 that generously gave their names to say, for example, the  
23 committee on Save Maine Yankee who believed in saving it.  
24 And I don't disagree with that.

25 But by the appearance of the structure here, as you

1 outline it, and subsequently you say never was followed it  
2 looks kind of deceiving and obviously you don't want to --  
3 didn't want that. I hope you don't and I know I don't. I'm  
4 only taking your memorandum and reading it as just a  
5 layperson trying to understand what the objectives were. You  
6 say, ideally CMP -- Central Maine Power Company should keep a  
7 low profile throughout the campaign.

8 A. That's correct.

9 Q. Understandably from your point of view. And it must, of  
10 course, have a visible and important involvement in  
11 satisfying its stockholders to effectively deal with the  
12 number of issues that will be raised during the campaign, but  
13 it ought not to be a dominant role.

14 A. That's correct.

15 Q. But -- your steering committee or your executive  
16 committee was made up of Mr. Thurlow, Mr. Healy.

17 A. That's right.

18 Q. I understand Mr. Potholm; yourself, John; a gentleman --  
19 a person by the name of Whitehead who was with a Wagner --  
20 what's the group he was with?

21 A. Winner, Wagner. He was not a director.

22 Q. He wasn't -- no, he wasn't a director. He was part of  
23 the steering committee. The four directors which were  
24 Thurlow, Healy, Potholm, and Menario, were all part of the  
25 steering committee.

1 A. Well, you see I haven't used the word steering committee.

2 Q. Would you say in this instance an executive committee?

3 A. No, I would not.

4 Q. What would you say then?

5 A. I would say a sounding board that I reported to once a  
6 month to give the progress of what I was doing.

7 Q. The sounding board was made up of you four, plus a  
8 fellow from Westinghouse and a person from Edison Electric  
9 Institute?

10 A. That's correct, yeah.

11 Q. And admedia?

12 A. That's correct. Well, no, Admedia in 1982. Admedia was  
13 not involved in the 1980 campaign, as I remember it.

14 Q. All right. Maybe my notes are a little off at the  
15 moment.

16 A. It could be my recollection, as well.

17 Q. Then you follow with an organizational chart, executive  
18 committee, state coordinator, public relations, planning  
19 committee, finance committee and then you've got committees  
20 one, two, three, four, and five as an outline.

21 A. Yeah.

22 Q. The executive committee on page 3 of your memorandum  
23 says, this committee would be the key decision-making  
24 committee in terms of coordinating the entire campaign. Was  
25 this committee the key committee that ran the Save Maine

1 Yankee committee?

2 A. No, the committee --

3 Q. Did it advise the Save Maine Yankee committee?

4 A. I'd like to answer the first question if I can.

5 Q. Yes. Excuse me.

6 A. The committee that ran the Save Maine Yankee committee  
7 was comprised of myself as chairman, Mr. Thurlow, Mr. Healy,  
8 and Mr. Potholm as members.

9 Q. Okay. And then you described having as its chairman Mr. --  
10 as chairman Skip Thurlow?

11 A. That was a recommendation. I ended up being a chairman.

12 Q. With no more than five people totally represented?

13 A. That was my thoughts in April of 1980.

14 Q. And it seemed to me that it may not need to be a  
15 committee in the formal sense in which votes are taken  
16 perhaps two or three people who would assist you as you begin  
17 to make final decisions in the variety of alternatives that  
18 will confront us. I would also like to participate in this  
19 process.

20 You wanted to be part of it understandably so and I  
21 think it's very important that all people who ask to join us  
22 on the executive committee understands its roles primarily to  
23 think out loud with you as you make your final decisions and  
24 in trying to follow questions that were raised this morning.  
25 In essence that's basically what they did do?

1 A. That's correct.

2 Q. They were not only the think tank, but they were  
3 obviously the approving individuals who decided what course  
4 or it appears they decided which course the Save Maine Yankee  
5 committee would go.

6 A. That's correct.

7 Q. And I'm assuming, and this is just an assumption, but  
8 any decisions that you made you shared them with the number  
9 of people that are on the Save Maine Yankee committee?

10 A. No, that assumption is not correct. I operate by both  
11 styles, and in practice they're quite independent.

12 Q. Would you say that the names that were on the Save Maine  
13 Yankee letterhead were just names, in fact, and yourself, and  
14 your immediate employees, and this executive counsel that you  
15 had, this consulting group ran the show?

16 A. I would not say they were just names. They were  
17 intended to represent --

18 Q. Excuse me, John.

19 A. That's all right. I do not consider them just names. I  
20 think they were thought through carefully. They were  
21 representing points of view, identified constituents in the  
22 State of Maine. We welcomed their input and we wanted their  
23 advice. They did not, however, have formal voting rights to  
24 decide which way the course of the campaign was to go.

25 Q. And were they informed of minutes if you kept minutes of

1 your executive committee's think-out-loud group of the  
2 various directions that you were planning to go?

3 A. Well, they had a briefing at the beginning of the  
4 campaign to understand in advance what things we were going  
5 to stress and why.

6 Q. Did you deviate from the themes at all?

7 A. I don't recall that we deviated from the basic game plan.  
8 There would be days where I would change the things I wanted  
9 to talk about. There was occasions where I would be on the  
10 defensive, rather than the offensive, but I had no material  
11 prepared for me. I don't speak from prepared materials. CMP  
12 did not prepare material for me and, therefore, I acted  
13 independent.

14 Q. Okay. And you outline a state coordinator. As you  
15 described them at least at that point I would hope you would  
16 consider allowing me to perform this task. The primary  
17 function of the state coordinator will be to put in motion  
18 the entire organizational concept that will be agreed to and  
19 to see that all decisions of the executive committee are  
20 effectively implemented.

21 Which I am assuming you did.

22 A. Generally in the first campaign. I did not do it in the  
23 second.

24 Q. Well, I'm talking about the first one at this point.

25 A. Okay.

1 Q. And I will also be responsible for coordinating the  
2 staff's function, i.e., public relations, public and  
3 financing, and will also be directly responsible for  
4 providing staff assistance to one of the key committees.

5 And as I understand it, you had just the one  
6 committee --

7 A. That's right.

8 Q. -- save Maine Yankee and you did do that?

9 A. That's right.

10 Q. I would strongly urge that you rethink your earlier  
11 decision to publically announce me as an individual hired by  
12 CMP Company.

13 You said earlier you weren't hired by CMP, but you  
14 had to sit down and discuss this with Mr. Thurlow. Now,  
15 which was it, John; were you hired by Mr. Thurlow or were you  
16 hired by CMP prior to the formation of the Save Maine Yankee?

17 A. As I explained to Counsel Flaherty, my understanding is  
18 that I struck my deal with Skip Thurlow before the Save Maine  
19 Yankee organization was technically formed and that later  
20 that committee concurred in agreeing with the terms of a deal  
21 that I had struck with Skip Thurlow.

22 I would, therefore, say as I did earlier this  
23 morning as a technical matter, my dealing was struck with  
24 Skip Thurlow, and Skip Thurlow was Central Maine Power.

25 Q. And to continue, I think in terms of our overall



1 strategy it might be more effective if I'm hired by a  
2 citizens' committee with, of course, the substantial  
3 resources of that committee being made available from Central  
4 Maine Power.

5 And I really don't know what the substantial  
6 resources were of CMP, whether -- and I think the question  
7 was raised what they gave or what they didn't give.

8 A. Right.

9 Q. Or how their employees or if any of them were, in fact,  
10 used.

11 A. It's a matter of public record, but I don't know either.

12 Q. To continue if I may.

13 SENATOR BALDACCI: Excuse me?

14 Q. I will continue if I may.

15 SENATOR BALDACCI: Yes, certainly continue.

16 Q. Then you have a section on public relation that says,  
17 this would represent primarily the firm or firms that would  
18 be hired to assist in putting together the campaign strategy  
19 and its related themes. They would also be the company or  
20 companies that would be responsible for developing a finished  
21 product as it relates to public material and/or  
22 advertisements.

23 And you say, in my opinion that the major company  
24 themes and the allocation of resources might follow. And you  
25 outline them: safety of operations, 30 percent; cost of

1 living implications, 30 percent; economic strategy, 30  
2 percent; and reduced reliance on OPEC oil, 10 percent.

3 To continue, the planning committee. This  
4 committee would be comprised of staff people assigned to each  
5 of the citizens' committees, as well as the public relations  
6 coordinator, the finance coordinator, and the state  
7 coordinator. I would also suggest that two of the three  
8 major business leaders be invited to the planning committee,  
9 such as -- and you name three individuals. I don't know  
10 whether they participated or not, so I'll just exclude them  
11 for the moment -- in order to put together a series of  
12 recommendations to be considered by the executive committee.  
13 It would also serve as a sounding board periodically to give  
14 feedback as to how well the campaign is going and developing.

15 Could I assume that your indication here is like  
16 getting a group of names of Save Maine Yankee, very credible  
17 people who believed in the position of saving Maine Yankee  
18 and you gave them periodical updates of what was happening in  
19 the course of the campaign; is that a fair assumption or is  
20 that not a fair assumption?

21 A. No, that's not a fair assessment. This is a planning  
22 committee that I laid before the campaign began and it was  
23 later decided not to have a planning committee and the same  
24 four people did the planning.

25 Q. And how about the finance committee?

1 A. There was no finance committee, as such. Mr. Thurlow  
2 and I took on the assignment the first time around and the  
3 process, and Mr. Thurlow I think did the second time around.

4 Q. You have committee number one and it's outlined, the  
5 committee to save our energy supply.

6 A. Yeah.

7 Q. And this committee would be made up of no more than  
8 eight to ten people mostly businessmen, sympathetic to the  
9 issue and prepared to be used in the best sense of -- in  
10 order, that they carry out the -- that they can carry out the  
11 primary mission and objectives of CMP and allow their names  
12 to be used.

13 Now, was this something like the foundation of the  
14 committee to Save Maine Yankee?

15 A. No.

16 Q. Is there any relationship between those?

17 A. No, none of this strategy was accepted.

18 Q. Was the outline to Save Maine -- the committee to Save  
19 Maine Yankee with the variety of people that are on it in no  
20 way had any relationship to this description, as you thought  
21 it to be?

22 A. That's correct. You see --

23 Q. Let me go over it again so I'm sure I understand.

24 A. All right.

25 Q. You said, a committee to save our energy supply. This

1 committee would be made up of no more than eight to ten  
2 people mostly businessmen or whatever, sympathetic to the  
3 issue and prepared to be used in the best sense in order that  
4 they can carry out the primary mission and objectives of  
5 Central Maine Power and to allow their names to be used.

6 How is this different from what's the committee to  
7 Save Maine Yankee?

8 A. Sir, you have to read the memorandum in its entirety to --

9 Q. Well --

10 A. May I explain it to you?

11 Q. Sure.

12 A. What I was suggesting before I had any knowledge of the  
13 polls and before I became knowledgeable with other team  
14 players is that the committee may wish to, in fact, have  
15 several committees, each working on different aspects of the  
16 problem. In this case I was outlining the possibility of  
17 creating five committees. The -- one committee would deal  
18 with and argue with the need to save our energy supply. A  
19 separate committee made up of other people would talk about  
20 the reasonable energy rates. A third committee would be a  
21 coalition of groups to Save Maine Yankee and on and on, each  
22 having a different identified task.

23 We elected not to follow that strategy and had one  
24 committee. And the one committee undertook all of these  
25 arguments and embraced them all. And I was the chief

1 spokesperson for all of those arguments.

2 Q. So each one of these individuals that are on this  
3 committee represent a political persuasion or represented a  
4 geographic representation, or presented a business  
5 representation, or represented an environmental  
6 representation, or represented a medical representation.  
7 Instead of having five separate committees, you consolidated  
8 it?

9 A. We had a single committee.

10 Q. In a sense in a single committee with the same objective?

11 A. Yes, that's correct, with the same collective objective,  
12 yes.

13 Q. It is this committee -- and I continue from your first  
14 description -- it is this committee that I would suggest  
15 formally engage me and to announce that I have been hired to  
16 assist their committee.

17 So what you're saying here is -- I'm assuming this  
18 is what you're saying, if I recollect what was said earlier  
19 this morning, that you discussed the possible employment in  
20 representing a group or whatever and Save Maine Yankee.  
21 There was agreement struck I believe with Mr. Thurlow, that  
22 you have the talents, and you certainly do, John, to  
23 represent that point of view, but you wanted to come on board  
24 after a committee was formed, rather than --

25 A. No, not really. I didn't care when I came on board.

1 Q. Well, I meant that the perception was you would be  
2 coming from a public group, a citizens' group, rather than  
3 being employed by another group.

4 A. That's exactly correct.

5 Q. I continue. In this function I could assist in  
6 developing all other activities. It would also be known that  
7 from time to time a major source of funds to this committee  
8 will come from CMP, Central Maine Power. But I see no need  
9 of the public knowing the informal organizational structure  
10 in which I am the state coordinator for the Central Maine  
11 Power's overall activities.

12 How did the Save Maine Yankee differ from this, Mr.  
13 Menario?

14 A. I don't think at that point there was any major  
15 difference, Representative Kelleher.

16 Q. And functioning afterwards would you say the committee  
17 itself, the theme was similar to this, Mr. Thurlow -- excuse  
18 me, Mr. Temple said this morning that -- I don't know how  
19 much was spent, 8 or \$900 was spent on that campaign?

20 A. Thereabouts.

21 Q. Whatever. And that a substantial amount of that money  
22 came from out of Maine?

23 A. Yes, I would say anything over 50 percent is substantial  
24 in my mind.

25 Q. Well, it's your mind I'm trying to understand. How much

1 did CMP contribute?

2 A. I told Counsel Flaherty this morning I don't recall.  
3 It's a matter of public record. My recollection is that it's  
4 somewhere in the order of 50,000 and that is a guess and I  
5 indicated this morning it was a guess.

6 Q. In this function I could then assist in developing all  
7 other activities. It would also be known from time to time  
8 that a major source of funds to this committee will come from  
9 C -- from Central Maine Power, but I see no need of the  
10 public knowing the informal organizational structure in which  
11 I am the state coordinator for the Central Maine Power's  
12 overall activities.

13 John, the objective was to win, which you did with  
14 the confidence I'm sure of the Maine voter, not only in the  
15 utilities of the state, but also in the need for the services  
16 they got. The committee to Save Maine Yankee was it  
17 primarily structured different from this memorandum?

18 A. Yes, quite a bit different.

19 Q. How?

20 A. We -- here as I told you there were several  
21 subcommittee's each taking on a different effort. There were  
22 no subcommittees of Save Maine Yankee, none at all. There  
23 was a very small group. The areas which the memorandum and  
24 what happened, happened to coincide accurately is that there  
25 was a very small group of people who decided what the Save

1 Maine Yankee arguments would be. They planned the campaign.

2 Q. Above the group that's on the paper?

3 A. Those people did not have any voting authority. They  
4 did not participate.

5 Q. What was the reason for being on the letterhead?

6 A. Because they let their name as sympathizers with our  
7 effort to Save Maine Yankee.

8 Q. Without deceiving anybody?

9 A. I would hope so.

10 Q. Without any perception of deceiving anybody?

11 A. I never told anybody they were going to come to the  
12 meetings and be asked to vote.

13 Q. Well -- but those people I would assume had their names  
14 on this I would hope would expect that there be no deception  
15 made on the public?

16 A. May I borrow that for a moment?

17 Q. Sure.

18 A. The letterhead says the committee to Save Maine Yankee.  
19 It lists John I. Menario as chairman, which is accurate.  
20 Michael Healy as treasurer, which is accurate. Then it lists  
21 a variety of people in the State of Maine and then it says  
22 parenthesis partial list. It is accurate that these people  
23 joined the committee to join Save Maine Yankee. They not  
24 only joined it, they signed a card saying they were members.  
25 They went further by saying they had no unwillingness to have



1 their name put on a letterhead. Now, if that is deception --

2 Q. No, no.

3 A. Then I don't understand your use of the word.

4 Q. What I'm saying is your executive committee, the phantom  
5 group --

6 A. There's nothing phantom. I've identified who they are.

7 Q. I know your group actually ran it.

8 A. Yes.

9 Q. Was the public aware that they actually ran it or would  
10 you say it would be a fair assumption to believe that the  
11 public believed the group that's on there was to Save Maine  
12 Yankee?

13 A. You'll have to ask the public what they perceived.

14 Q. I'm asking you what your perception of that question is.

15 A. I told everybody that I was the chief spokesperson and  
16 the chairman of Save Maine Yankee. And I never told anybody  
17 that I was holding town meetings to get an advantage for what  
18 the 30,000 people who joined the Save Maine Yankee committee  
19 thought I ought to be doing with my time.

20 Q. And you felt any position you took you did it without  
21 consultation to at least those people that are on that  
22 letterhead?

23 A. That's exactly correct.

24 Q. Well, maybe that's one reason why I never joined the  
25 letterhead, John. Maybe I was a little more perceptive at

1 that time. I think I'll stop for a moment.

2 SENATOR BALDACCI: All right, Represent Kelleher.  
3 I have a few questions, Mr. Menario.

4 EXAMINATION-BY SENATOR BALDACCI:

5 Q. In the 1980 campaign, you mentioned that you were much  
6 more active in setting up the organizational structure of the  
7 campaign and you wanted to create a buffer between the  
8 so-called CMP imagine and the grassroots imagine that you  
9 wanted to establish; is that correct?

10 A. I think -- I think, Senator, at that point in time it  
11 was generally agreed by all parties that we would attempt to  
12 form a grassroots committee and to have a letterhead which  
13 allowed the names of those who wanted to represent and  
14 support our cause to be listed.

15 Q. You mentioned in the 1980 campaign that the use of  
16 Central Maine Power Company employees was used in a  
17 get-out-to-vote effort only. And then you referred to a 1982  
18 campaign where you only had one secretary for that campaign  
19 and there was more extensive use of CMP people; is that  
20 correct?

21 A. That's my recollection, yes.

22 Q. Would you give me an enlightenment and maybe to this  
23 committee of what you mean by get-out-the-vote effort by CMP  
24 employees?

25 A. I am really not that technically knowledgeable of what

1 was done. I know Mr. Lyden who is here on this list of  
2 people you wish to interview could give you a much more  
3 accurate description of how it was accomplished. I am of the  
4 understanding that people volunteered their time at CMP to  
5 help in that effort of having phoned banks and names of  
6 people to call. I'm not certain I know what they used as  
7 base names. I'm not certain whether they came in as the  
8 people who joined the Save Maine Yankee effort sending in  
9 their cards and giving us their numbers or not. I wish I  
10 could give you more detail, but I know you have access to  
11 that.

12 Q. That's the 1980 campaign I'm discussing.

13 A. I think as I'm saying I do not know the details of get  
14 out the vote on either campaign.

15 Q. On either campaign. You knew there were more people in  
16 the first campaign, than the second campaign.

17 A. That's correct.

18 Q. And you were strapped for time and not necessarily going  
19 to spend all the time with the details because you had to do  
20 your job as a cheif spokesman?

21 A. Yes, I wasn't strapped for time. My engagement of the  
22 second time around was for a limited service.

23 Q. A limited service?

24 A. Yes.

25 Q. Do you remember an adjustment in the Central Maine Power

1 Company report of \$10,000 --

2 A. No, sir.

3 Q. Or the Save Maine Yankee campaign an adjustment of  
4 \$10,000 to reflect in kind a noncash contribution by Central  
5 Maine Power Company to Save Maine Yankee?

6 A. All of our reporting was done directly by Mr. Healy and  
7 I can't tell you I specifically recall that adjustment.

8 Q. So you're the chief of this particular effort?

9 A. That's correct.

10 Q. And you were not aware of -- this type of correspondence?

11 A. I didn't say I wasn't aware of it. I don't have detail  
12 of the reports that were filed or what adjustments were made.  
13 I had full confidence then and do now of Michael Healy's  
14 credibility and attention to detail and I would virtually  
15 allow his reports to go without my review. I did it then. I  
16 would do it today. But you're asking if I specifically  
17 remember the adjustment and I do not.

18 Q. But the figure of \$10,000 --

19 A. I'm sorry, sir. I don't recall.

20 Q. The figure of \$10,000 represented in kind work done by  
21 Central Maine Power to Maine Yankee. It included office  
22 rentals. Do you remember the uses of Central Maine Power  
23 Company equipment or personnel in either the '80 or '82  
24 campaign?

25 A. They seemed to be much more involved in an active sense.

1 Since I was not around on a daily basis I cannot measure that  
2 for you.

3 Q. Do you know Annette Stevens?

4 A. Yes, I do.

5 Q. In what relationship?

6 A. Let's make sure I have the right Annette Stevens. The  
7 Annette Stevens I know is from the Berwick area of Maine.  
8 She apparently has some very strong feelings of nuclear power,  
9 among other things. I knew her because during the -- if  
10 that's the one you're referring to. She would call me from  
11 time to time feeling that there were arguments I should be  
12 making, that there was information that I should be more  
13 aware of as I went about my debates.

14 I invited her to forward that material to me. And  
15 on one occasion when I was meeting in the Berwick area, I  
16 visited her there and picked up some information from a group  
17 that she thought was an anti-American group. That's my  
18 knowledge of her.

19 Q. So you would say that you've had communication either  
20 verbally or --

21 A. Sure.

22 Q. -- from Annette Stevens?

23 A. I think both.

24 Q. In what part did Annette Stevens, other than seeking  
25 information from you or to give to you, did she play?

1 A. None.

2 Q. None, other than that?

3 A. That's correct.

4 Q. Are you aware of the correspondence, that I'll ask the  
5 director -- the staff director to pass out, is dated July 30,  
6 1980 and it says, it has taken a year to accumulate this list  
7 of anti-nuke. Hope it may help you. And I will send  
8 additional names when they come to my attention. Annette  
9 Stevens. P.S. There's 122 of them. Exclamation point.

10 SENATOR BALDACCI: Would you see that Mr. Menario  
11 gets a copy of that list.

12 REPRESENTATIVE KELLEHER: I'd like to have a copy  
13 of it myself.

14 SENATOR BALDACCI: Certainly. See that everybody  
15 gets a copy.

16 Q. Does this list look familiar to you?

17 A. No, sir. But that doesn't mean it didn't get reviewed  
18 by me. I received tons of mail from a lot of people.

19 Q. You received tons of mail from a lot of people. But you  
20 mentioned in your testimony in an answer to Representative  
21 Kelleher you're good at keeping lists. As a matter of fact,  
22 the list of directors --

23 A. I don't ever ever recall saying to him I was good at  
24 keeping lists. I'm not arguing that this material was mailed  
25 to me. I'm not arguing with the fact that I probably read it

1 at the time. You asked if I recall reading it at the time.  
2 I don't.

3 Q. Mr. Menario, for your benefit, there's a former  
4 president of Bath Iron Works on this list with some  
5 interesting comments next to his name and you have a state  
6 legislator on this list, Mr. James Handy. And 122 of them  
7 developed by a group of people or by a person that is in  
8 correspondence with you and you're more or less set up by a  
9 utility or utilities to run a Save Maine Yankee effort; is  
10 that correct?

11 A. So far you're correct.

12 Q. So far I'm correct.

13 SENATOR BALDACCI: Mr. Flaherty, do you have a copy  
14 of this list?

15 MR. FLAHERTY: Yes, I do.

16 SENATOR BALDACCI: Would you please finish the  
17 questioning as far as the list to determine the nature and  
18 what correspondence a utility subsidiary or affiliate had in  
19 developing this list.

20 MR. FLAHERTY: Well, I'll do what I can, Mr.  
21 Chairman.

22 SENATOR BALDACCI: It's very disturbing to keep a  
23 list of Maine citizens.

24 EXAMINATION-BY ATTY. FLAHERTY:

25 Q. I would just ask a few questions if I might to help you.

1 if you can. Mr. Menario, do I understand you have said that  
2 you have no reason to question that this would have been  
3 received and reviewed by you in the course of the receipt of  
4 voluminous mail?

5 A. That's correct, sir.

6 Q. Can you tell the committee whether you now recall ever  
7 having received it, now that you've had an opportunity to  
8 look at it.

9 A. No, I can't. I can tell you I received it because the  
10 writing on the paper which says, F-research anti-nuke  
11 individuals is my writing. That meant that I was sending it  
12 out to the files to be filed in the only category that I know  
13 where to put it.

14 Q. Did you as director of Save Maine Yankee -- I guess I  
15 should ask you, did you take the trouble to respond to this?

16 A. No, sir.

17 Q. Did you --

18 A. I might have sent an acknowledgement. I would be  
19 inclined to do that. But even in this case, I don't think I  
20 did.

21 Q. Did you know this person, Annette Stevens, before you  
22 received this material?

23 A. I don't believe I did, but she may have called me on the  
24 the phone. If she says, hi, John, on the letter, we may have  
25 chatted in advance of that coming in the mail.



1 Q. There's another list here, too, called anti-nuclear that  
2 you have, I take it, in front of you.

3 A. Yes, I do. A compiled list?

4 Q. Yes.

5 A. Yes.

6 Q. Dated July 6, 1980?

7 A. Yes.

8 Q. And I think I read on the copy I've been handed  
9 something very much the same as what you've called my  
10 attention to on --

11 A. Right.

12 Q. -- the first one?

13 A. It's very faint on mine, but it appears like my style of  
14 putting something out to the file. So I would state that I  
15 have seen this list. I don't recall it and its importance to  
16 me then was not of value to recall it.

17 Q. Then do I understand you to be saying that in directing  
18 this to be forwarded or --

19 A. Filed.

20 Q. -- filed in your research area of your operation, you  
21 did not intend that any use be made of it by yourself or any  
22 representative of Save Maine Yankee?

23 A. You can't conclude that merely by the fact I sent it out  
24 to the file because I sent a lot of things to the file that I  
25 found of value and would want to use. My recollection is I

1 don't recall them until I see them today. I did not use them  
2 for any purpose and I can't believe I spent more than the  
3 time it took to put them in the file.

4 Q. Well, at page 3 of that first one there's a person named  
5 Janeczko referred to, and the person is characterized as  
6 being -- and I quote, one of the worst perpetrators of fear  
7 in the state, also anti-utility and very vocal about it, end  
8 quotes. Do you know anything about that person?

9 A. No, sir, I don't.

10 Q. Then or now?

11 A. No, then or now.

12 Q. And so far as you know, if I understand you, neither you  
13 nor anyone on your committee ever made use in any way of this  
14 information?

15 A. I can't speak for members of my committee. I did not.

16 Q. Well, from your standpoint, nobody on your committee  
17 ever brought this to your attention?

18 A. That's correct.

19 Q. After the time you first received it and directed it to  
20 the research file?

21 A. That's exactly correct.

22 EXAMINATION-BY SENATOR BALDACCI:

23 Q. Excuse me, for just a second to interrupt your question  
24 because of my concern on this particular matter and then you  
25 can follow-up, but on page 4, Mr. Menario, there's a

1 gentleman by the name of Alan Philbrook. He lives on 300  
2 Water Street in Augusta opposite old federal building. This  
3 is an address of the Augusta Referendum Committee office.  
4 Philbrook lives in East Pittston and is a former Maine Yankee  
5 employee and then says. John, call me on more on this.  
6 There's been a recent incident.

7 Now, Mr. Menario, earlier in your testimony, you  
8 said that you generally throw things out after a campaign --

9 A. That's correct.

10 Q. -- although this list somehow was preserved in the files  
11 over at Save Maine Yankee.

12 A. Yes, we have two files, sir. We have my personal files  
13 which I have very little remaining on my company and we have  
14 the Save Maine Yankee files in which I think everything is in  
15 tact.

16 Q. From what this particular person said about Mr.  
17 Philbrook, would it it be fair to assume that you have been  
18 in correspondence with her on these particular types of  
19 things or at least on -- you were going to follow-up --

20 A. No.

21 Q. -- to her about this particular individual or she does  
22 indicate that?

23 A. She does, but I did not see the need to follow-up. I'm  
24 not even certain I read the full list. In fact, I'm not  
25 certain I read the list at all.

1 Q. You're not certain you read it at all?

2 A. That's correct.

3 Q. Are you aware that the second list that has been marked  
4 by you at the top for your research file is a reprinted  
5 retyped copy of some of the names on the first list?

6 A. No, I'm not aware of that.

7 Q. If you'll notice the names on that list and the names on  
8 the list that Miss Annette Stevens had sent to you, those  
9 names have been recopied and retyped on other pieces of paper.

10 A. That could be, sir. I'm not trying to compare them.  
11 There seems to be a lot more names on the list of July 22  
12 than on the list of July the 6th. And it would seem to me if  
13 the chronology of dates made any sense, that the July 6th  
14 list was prepared before the Annette Stevens' letter arrived,  
15 so I'm not certain that I know what you're trying to conclude.

16 Q. Well, I'm trying to conclude that there was an ongoing  
17 list because some of the names on the list are on both lists.

18 A. There was not an ongoing list maintained or updated by  
19 the Save Maine Yankee committee. There may well have been  
20 people out there who were mailing us names of people who they  
21 thought were not favorable to our effort.

22 Q. Well, I just would like you to understand that the  
23 perception here, Mr. Menario, is that there were lists that  
24 were ongoing and updated and added to of people that may not  
25 have been favorable to your cause in the memorandum to win.

1 A. By whom, sir?

2 Q. By anybody -- by myself, Mr. Menario.

3 A. No, but a list prepared by who and updated by who?

4 Q. Well, Mr. Menario, they were in your files and all we  
5 have is a cover note from you that says, hi, John, from  
6 Annette Stevens.

7 A. And all I'm saying is they didn't originate from me.  
8 They were mailed to me.

9 Q. There's 122 of them, exclamation point. What were you  
10 going to do with this list?

11 A. I told you. I put it in my file. That's all I did with  
12 this.

13 Q. And you also told me that you kept -- you kept -- you  
14 didn't keep too much from your campaign on your personal file.

15 A. My corporate files. My company's corporate file has  
16 very little information on either campaign. These are files  
17 of the Save Maine Yankee committee which I hope are in tact  
18 with everything that was mailed to us, whether it was useful  
19 or not useful, whether it was solicited or unsolicited.

20 Q. It just bothers me that we have Maine citizens on this  
21 list of which when I saw the state representative on that  
22 list, it caused me some concern. And I also see him on this  
23 other list that's been revised or added to dated 7/6/80. And  
24 the concern in your discussion here today about the way the  
25 Save Maine Yankee committee was set up, the way Mr. Temple

1 had discussed it earlier, in the way it was set up, and the  
2 way it was controlled, a group of people doing it and with  
3 great funds from the utilities to run that more or less. It  
4 is of grave concern to me.

5 A. Well, I appreciate your concern, sir. I hope you don't  
6 hold me responsible for things people write to me.

7 REPRESENTATIVE KELLEHER: Can I ask a question?

8 SENATOR BALDACCI: Representative Kelleher.

9 EXAMINATION-BY REPRESENTATIVE KELLEHER:

10 Q. Mr. Menario, did you ever meet Annette Stevens?

11 A. Yes, I did, sir.

12 Q. Did you meet her -- how did you meet her, John?

13 A. I seemed to recall that she was very energized over what  
14 the Save Maine Yankee committee was doing. And as a result  
15 of being energized, called me at my home in the evening,  
16 called me at the office at the Save Maine office. I believe  
17 some members of the committee knew her, said she had a lot of  
18 energy and could be very supportive and I ought to at some  
19 point in the campaign meet her.

20 Q. Did you ever solicit her support?

21 A. No. By the same token I didn't turn it off.

22 Q. I understand. Did any one of your directors solicit her  
23 support?

24 A. Not to my knowledge.

25 Q. Okay. Did you or any of your directors ever from time

1 to time update Annette Stevens and whatever Maine's Voice of  
2 Energy, I don't know whether it was a formal group or whether  
3 she was Maine's Voice of Energy.

4 A. No more so or less so than the people would call and ask  
5 for information.

6 Q. Was she ever present at any of your formal meetings?

7 A. No. She attended a debate that I was involved in.

8 Q. In terms of --

9 A. No.

10 Q. -- any executive meetings she played no part in?

11 A. No.

12 Q. And, to your knowledge, did you or any of your others of  
13 that group provide her with the information of your executive  
14 meetings?

15 A. No. In fact, we had -- it raises a recollection of an  
16 event that I'll share with you. There is a national group --  
17 pronuclear group that believes that all of the anti-people  
18 who believe against nuclear power are somehow subversive to  
19 the country, and they raise money and run campaigns and they  
20 wanted the piggy back ours and we tried devilishly to keep  
21 them out of Maine. We didn't feel that was a message we  
22 believed in. But I must tell you they had their own money  
23 and ran a few ads which I found quite distasteful. And they  
24 wrote me and somewhere in the files their letters are there.  
25 And there were ads they wanted to us run and they were

1 offensive. You'll find them somewhere in our files, too.

2 SENATOR BALDACCI: I have a follow-up question and  
3 then you ask about this Annette Stevens. I don't know if  
4 you've gone over it, Representative Kelleher, but do you have  
5 a copy of the letter from Mrs. Stevens to Mr. Temple?

6 REPRESENTATIVE KELLEHER: Yeah, I do. I view these  
7 things, Senator, I am surprised Mr. Menario didn't read the  
8 list just because being a little noseey.

9 EXAMINATION-BY REPRESENTATIVE KELLEHER:

10 Q. I went down through it to see who was on it and I'm just  
11 surprised that you didn't read it, John.

12 A. I don't recall doing it.

13 Q. Well, you do a pretty good job of covering yourself.  
14 The point is what when you got done with it, you filed it or  
15 gave it to someone else. I guarantee if you put ten copies  
16 of this outside, everyone would like to take a look at it see  
17 if our friends and neighbors are on there.

18 EXAMINATION-BY SENATOR BALDACCI:

19 Q. Mr. Menario, I have a letter here that I would like to  
20 see that you get a copy of. It's from the Maine Voice of  
21 Energy, Annette Stevens addressed to Mr. Norm Temple,  
22 vice-president of Central Maine Power Company. At the top it  
23 says, R.W. Leason -- which means I would assume that it would  
24 come from Mr. Leason's files. And if you look at the third  
25 paragraph where it says, I do keep John Menario informed of



1 our activities, and Chris Potholm tries to arrange for our  
2 presence at certain events. Do you see that part there?

3 A. Yes, sir, I do.

4 Q. Where he wanted them stationed at an event at Brunswick  
5 Naval Air Station and that she is talking to Mr. Temple. So  
6 is there more to this relationship in terms of the Save Maine  
7 Yankee effort than getting a letter in the mail and filing it?

8 A. No, sir.

9 Q. I'm under the assumption that there's more.  
10 correspondence, other than just a list back and forth in a  
11 file. She says she's keeping you informed of her activities.

12 A. As I told Representative Kelleher, she called me quite  
13 frequently. I do not ever recall writing her, although I may  
14 well as a matter of courtesy had acknowledged some things  
15 that she sent me. I do not have any further recollection of  
16 dealings with letter, other than those phone calls and one or  
17 two letters that she may have sent me, sir.

18 Q. To tell you the disturbing thing, Mr. Menario, is when  
19 you have the monopoly in producing a particular product in a  
20 state like Maine and you're involved in political activities,  
21 and you become a finally tuned political operation, and you  
22 have a public utility in a monopoly status that at least  
23 through the appearance of documentation here and  
24 correspondence were available or the information was  
25 available on 122 at least Maine citizens that may not have

1 been favorable to their cause leads me to believe that there  
2 was something to be worried about as a Maine citizen with  
3 that going on.

4 A. Well, sir --

5 Q. I mean, that's where my concern is coming from and I  
6 want you to understand that that's my concern.

7 A. I understand that. I respect your concern I guess. You  
8 may be alarmed to know I don't reason that way. When people  
9 tell me there are this many people against me, I really don't  
10 get upset about it and I don't read the list to see what I  
11 can do about it. I just get on with my assignment. And that  
12 may be disturbing to you, but that's the way I operate.

13 Q. You have a tougher hide than I do.

14 SENATOR BALDACCI: Representative Sewall?

15 EXAMINATION-BY REPRESENTATIVE SEWALL:

16 Q. Mr. Menario, it seems to me because I was running for  
17 office in both 1980 and 1982, and it seems to me there were  
18 some ads in the newspaper people who were supporting Maine  
19 Yankee and the list looked similar to those. Do you remember  
20 seeing ads of that where people would buy an ad in the paper  
21 and say put their names there saying that they were  
22 supporting something one way or another?

23 A. I recall them, but only vaguely.

24 Q. But if you had something like that came out by chance,  
25 you put that in the file?

1 A. Yeah. I tried awfully hard not to get distracted by  
2 what the opposition was saying. I had my campaign to run and  
3 part of my assignment was stay to the high ground. If I  
4 spent all my time debating with them, I would not have gotten  
5 my assignment done.

6 Q. And you filed -- in other words, if someone would happen  
7 to write you a letter saying somebody or other was crazy and  
8 bomb thrower and also anti-nuclear, you would probably file  
9 that letter, but it wouldn't mean that you necessarily agreed  
10 with them or you took any action on it?

11 A. That's exactly correct.

12 Q. Thank you.

13 SENATOR BALDACCI: Are there any other questions at  
14 this time for Mr. Menario, except Representative Crowley?

15 EXAMINATION-BY REPRESENTATIVE CROWLEY:

16 Q. I understand the Cambridge reports. They are a big  
17 outfit down in Cambridge, down in Massachusetts. An Admedia  
18 drive by Admedia, I can see it. Atlantic Research I can  
19 visualize because they are part of Central Maine Power.  
20 Command Research -- first, is there a place -- is there a  
21 location where Command Research operates, a building?

22 A. I think not, but it's only a guess on my part. I am of  
23 the opinion that Dr. Potholm that was -- I'm of the opinion,  
24 first of all, that it's his company. That may be an opinion.  
25 That may not be correct.

1           Secondly, he probably does not have an office, per  
2 se, that he probably runs Command Research out of his home.  
3 But that is also a guess on my part. I have never been to an  
4 office called Command Research or met with people who were  
5 employed by, so I am of the opinion that it's without a  
6 physical location, other than a P.O. box to mailing purposes.  
7 And that the people engage part-time people, but those are  
8 all guesses on my part.

9 Q. Well, back along I believe you said you hired or someone  
10 hired --

11 A. Yes.

12 Q. -- Command Research?

13 A. That's right.

14 Q. In hiring them how did you go about hiring -- what was  
15 the money, what was the involvement?

16 A. Command research was engaged and brought to the scene  
17 without my involvement, so I can not explain to you what the  
18 process was of bringing them forward. I had reason to  
19 believe, and as a result of the comments that were made to me  
20 when I asked questions about Dr. Potholm and Research, that  
21 he was a person of considerable experience and that his work  
22 was technically competent and that we would benefit by his  
23 general political strategy, as well.

24 Q. So this is -- it's a corporation, Command Research.

25 A. I'm not certain whether it is or not, sir, or whether

1 the Command Research is incorporated or whether it's doing  
2 business as a proprietorship. I really don't know the real  
3 status of the company.

4 Q. Who would know?

5 A. Dr. Potholm.

6 Q. Then you don't know -- you don't have any idea of what  
7 he used for facilities --

8 A. That's correct.

9 Q. -- as he was giving all this information and from  
10 Command Research?

11 A. That's correct, sir.

12 Q. You don't know where he generated this?

13 A. That's correct.

14 Q. Do you have any idea of what staff he had?

15 A. No no, sir, I don't.

16 Q. I felt bad. I thought it was a mystery for me.

17 A. I think it's a mystery for both of us.

18 Q. Is it fair to assume that perhaps he can use -- with the  
19 approval of a private college, Bowdoin College, it is  
20 possible that he does his Command Research work at Bowdoin  
21 College?

22 A. I have no way of knowing that, sir.

23 Q. When he supplied reports to you from Command Research,  
24 we don't seem to have any -- it's probably upstairs. I don't  
25 know. Is there any indication of who did what work where on

1 these reports he's putting in?

2 A. No, sir.

3 Q. Can you see why I feel like it's a mystery there's an  
4 organization that isn't an organization or it doesn't have a  
5 building, it doesn't have any staff that supplied information?

6 A. I know of a number of service companies that really  
7 operate out of people's briefcases or their homes and they  
8 have no location that they call the business location. They  
9 operate out of P.O. boxes. It's not uncommon, but maybe I  
10 just travel in a world as a consultant where I bump into a  
11 lot of that.

12 Q. I guess what I'm thinking of is to do this kind of work  
13 you have -- I can understand how Central Maine Power can do  
14 it because they have very sophisticated computer powers there  
15 and in order for Command Research to do that, they have to  
16 have very sophisticated hardware and software and I was just  
17 wondering where this all was.

18 A. I can't answer that for you.

19 Q. It may not be important --

20 A. I don't know that either.

21 Q. -- in order to boil this thing down so we can come up  
22 with regulations --

23 A. Sure.

24 Q. -- that make sense to the utilities?

25 A. I can't help you because I don't know.

1 Q. Thank you.

2 SENATOR BALDACCI: Mr. Menario, unless -- does  
3 staff have have any further questions?

4 MR. FLAHERTY: (Shakes head)

5 SENATOR BALDACCI: I would like to thank you for  
6 appearing here today and would like to remind you, you may be  
7 asked to come back again when the committee gets ready to  
8 file action.

9 A. I understand, sir.

10 SENATOR BALDACCI: Thank you, very much for making  
11 yourself available.

12 A. My pleasure.

13 SENATOR BALDACCI: I would like to recess for five  
14 minutes and at that time sit down with the staff.

15 (A short break was taken.)

16 (The hearing started without a reporter.)

17 MR. FLAHERTY: -- in support of their respective  
18 positions at that Friday morning at 9:00 A.M. he would begin  
19 the hearing. He said that he perceived the issues to be as  
20 follows: One, whether in light of the provisions of Section  
21 473 of Title 3, which says that the Court shall find -- shall  
22 not find contempt of the committee unless one, it finds --  
23 not punish rather -- unless one, it finds contempt; and two,  
24 that it finds that the provisions of applicable sessions of  
25 Title 3 have been complied with.

1           He said that he felt if counsel for the committee  
2 had dotted all the I's and dotted all the T's, that as far as  
3 he was concerned, unless he hears something to the contrary,  
4 Section 473 has indeed been complied with. However, he said,  
5 the next question I have is, do I simply rubber stamp the  
6 action of the committee or do I file that I must as a Court,  
7 given the fact that I'm very sensitive to the separation of  
8 power and consider the very important constitutional question,  
9 do I, as a Court, proceed beyond that to a point where I feel  
10 I have to delve into the question of whether as a matter of  
11 objective fact the material sought is within the scope of the  
12 investigative committee's authority.

13           He said, in that regard I'm asking Mr. Potholm to  
14 come forward and give me what he has so let me look at it in  
15 advance just in case I decide to go that way and he said,  
16 I'll give it back to him.

17           So he's going to get that information on Thursday.  
18 He said that he hoped that if he were to decide to review the  
19 material, that the -- and decided that the threshold  
20 question is not as the committee's counsel suggests, namely,  
21 that he should simply go ahead and do it, punish of contempt  
22 until such time as he purges himself by coming over to this  
23 committee and giving them the material, that that matter  
24 would not die there and that there would be an appeal of that  
25 to the high Court of the State of Maine in the hope that it



1 would be finally settled. But he told me, I'm not going to  
2 tell you what to do, that's your business. But he says, I am  
3 deeply sensitive to the nature of the constitutional question.

4 Now, very, very briefly we explained to the Court  
5 that under the provisions of Sections 453, 454, and 457, if a  
6 person subpoenaed to bring certain documents before the  
7 committee says that the material sought is beyond the scope  
8 of the committee's investigative power, then under 453 it  
9 says the chairman shall state in what respect the committee  
10 believes that it is within the scope of the committee's  
11 authority.

12 And counsel for Potholm refuses to honor that  
13 distinction between stating what it believes and stating  
14 what -- objectively what may be the case. So my point to the  
15 Court among other things is, it's a very critical distinction  
16 because when you're an investigative committee and you're  
17 groping for information when you say to the gentleman  
18 involved, this is why you believe it is important or within  
19 the scope, that's all the statute requires be done.

20 And you may look at it and you may decide it's not  
21 within the scope of the investigation once you see it. On  
22 the other hand, Mr. Potholm had all kinds of alternatives  
23 available to him. Here he could have asked the committee to  
24 go into executive session and he did not. He could have gone  
25 to the Court and sought the a protective order and respected

1 the authority of this legislative body and still protected  
2 himself. He didn't do that.

3 Instead of that, all he's done is told the  
4 committee that he's just not going to give them what they  
5 want and, furthermore, he thinks he's going to instruct them  
6 on how he thinks the procedure should be followed, all  
7 matters for the committee to decide, not counsel.

8 He says, I want to testify before I show you  
9 anything. The committee has steadfastly and consistently  
10 said, we're taking the documents and then we'll decide  
11 whether we want any testimony. That's been done invariably  
12 with everybody else.

13 So as of Friday morning we will present our case,  
14 which is very simple to present. To the extent the Court  
15 says, I'm going and I'm going to look at this stuff and see  
16 whether it's material that I really feel it's within the  
17 scope of the investigating committee's authority, he'll make  
18 the decision at that time, too. He may very well do that at  
19 that point.

20 Whether he will say it is or it isn't, the point is  
21 from our standpoint if he does do that, we shall then offer  
22 testimony, as I indicated, as to why the committee feels it  
23 is within the scope of its power and its authority and he's  
24 going to make the decision. But he's going to have some  
25 difficulty because he's going to have to invoke for the first

1 time some set of the balancing standards and provisions and  
2 rules which are not part of the Maine law at this time.

3 And he is not confronted as in other cases with a  
4 claim of invasion of any constitutionally protected right in  
5 this case. It is a long way between -- from saying it's  
6 within the scope of the investigating committee's authority  
7 and it's violative of my privilege against self-incrimination  
8 or it's invasion of my personal property rights. Those are  
9 very serious considerations from a private citizen's  
10 standpoint. They do not exist in this case.

11 I submit the last thing I'd like to say is that Mr.  
12 Richardson advised the Court that he was going to call Mr.  
13 Linnell as a witness at this proceeding in order to have Mr.  
14 Linnell relate to the Court under oath what happened at his  
15 meeting and mine with Mr. Whitman, Mr. Richardson's associate,  
16 when on behalf of the committee we first went in response to  
17 their request to determine if there was some way that we  
18 could break the log jam and get the information or at least  
19 explain why we felt we ought to have the information.

20 Jack Linnell called my office, he told me that he  
21 had been contacted by Mr. Richardson and that he had agreed  
22 that he would appear for Mr. Richardson. He told me that he  
23 would report to the Court under oath as a witness, what he  
24 considered to have occurred at that meeting.

25 And I said that I had no doubt that he would speak

1 honestly and truthfully and that he would fairly report the  
2 content of that meeting. Somehow Mr. Richardson seems to  
3 think that he can elevate the discussion to the level of some  
4 kind of binding agreement or something. I don't know what  
5 he's talking about. But in any event I would simply invite  
6 you to ask any questions on that score to Mr. Linnell.

7 I received from Jack Linnell this morning, and I  
8 mentioned this because it needs clarification, a copy of his  
9 letter to the minority of September 21, 1984, in which as  
10 counsel for the minority he obviously reported to them  
11 regarding the status of this matter from his standpoint and  
12 how he felt about the matter.

13 I'm concerned that this be clear to all concerned  
14 because while it tells what happened, I never saw this letter  
15 and I've never had a chance to this moment to respond to it.  
16 It doesn't tell all that happened and I'm not suggesting by  
17 that statement that he was concealing anything either. I'm  
18 saying it didn't tell all that happened. And what he has to  
19 say and what I am about to say are totally consistent and I  
20 have complete professional respect for my colleague, and I  
21 trust he has the same for me.

22 In this letter he said, among other things, the  
23 majority counsel took the position that if the state of facts  
24 existed whereby -- this was at Mr. Whitman's office --  
25 whereby polling was done for nonutility companies and the

1 tracking questions listed herein were made available or  
2 integrated into data to which organizations such as CMP, Save  
3 Maine Yankee, Atlantic Research, and New England Tel had  
4 access, and that information having been integrated was then  
5 passed on to a political candidate for public office, that  
6 such data would be relevant to the committee's inquiry.

7 And I indeed did say that and I had previously  
8 discussed that with Jack Linnell in my office before we went  
9 to Mr. Richardson's office and he agreed. He then goes on in  
10 the letter; quote, Mr. Flaherty agreed with me -- with John --  
11 that if no such use were made of polling data for nonutility  
12 clients, the information requested would be outside the scope  
13 of the committee's purpose. Not only did I agree with him on  
14 that score, I stated that it would be.

15 But what I went on to say to Mr. Whitman and what I  
16 am reporting is still the case. I said now, Mr. Whitman, the  
17 problem here is whether it is within or without the  
18 investigative committee's authority. I say it's within, the  
19 chairman said he believes it's within. You say it's without.  
20 The question is hitting upon a mechanism that preserves to  
21 the legislature its rights and allows the material somehow to  
22 be investigated.

23 And then I said, in the ordinary course of events  
24 if the Court chose to take this fact, it would be my practice  
25 and I think Jack Linnell's -- based upon the prior

1 conversation with him -- to ask that you identify the  
2 material you're withholding by addressee of correspondence,  
3 by sender, by title, and the date of it with a number on it,  
4 put them all in a big fat bag and we'll say, if that's so,  
5 I'll know that nothing's disappeared and then we'll say to  
6 the Court, if you are disposed as you may be to say that it's  
7 your job to look at that stuff and make an in camera  
8 inspection, we'll have a mechanism in place whereby this can  
9 be accomplished.

10 So that it is absolutely true that my comments as  
11 reported in this letter by Jack to his people are fairly and  
12 honestly reflected, I said those things, I say them today.  
13 I've never deviated from them. I went beyond that, however,  
14 to point out that we were still at loggerheads because so  
15 long as what they said we have seen is not outside the scope  
16 and we said we don't know, somebody's got to resolve that  
17 problem, consistent with the constitutional separation of  
18 powers.

19 So my function on Friday on behalf of the committee  
20 as I have from the beginning and I hope it's not been too  
21 difficult for people to understand is to make sure that the  
22 legislative's -- legislature's power of contempt is not  
23 compromised inadvertently, that the record is constructed in  
24 a way that your right to test the power and preserve it has  
25 been saved and then you as a committee can decide what you

1 want to do about it, if you want to let it go on an adverse  
2 decision, fine. If you want to appeal it, fine.

3 That's as fast as I can make it. Is there anything  
4 about that which you disagree?

5 MR. LINNELL: No. When I wrote that, I gave my  
6 legal opinion.

7 MR. FLAHERTY: If you have any questions, I'll be  
8 more than happy to respond. But I really think I would have  
9 been doing you a disservice if I simply agreed to turn those  
10 things over and thereby in the process have foreclosed this  
11 committee from testing its right to the hearing, that they  
12 still have the right to test it.

13 SENATOR BALDACCI: The public session has started.

14 REPRESENTATIVE KELLEHER: What time is the  
15 continuation of this hearing going to be set?

16 SENATOR BALDACCI: It's going to be set tomorrow --  
17 this meeting is recessed until 10:00 o'clock tomorrow morning.

18 (TIME: 1:45 P.M.)

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## CERTIFICATE

I, Janice A. Maggioli, hereby certify that the foregoing  
128 pages are a true and correct transcription of my  
stenographic notes in the above-captioned matter.

Dated this 1st day of November, 1984.

North Windham, Maine

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Janice A. Maggioli

My Commission Expires

April 2, 1989.