



## NOVEMBER 2023 HIGHLIGHTS

As we head into the final days of the Question 3 campaign and prepare for voting on November 7<sup>th</sup>, I am taking a moment to reflect on it. Our Office has received an extraordinary number of questions and comments regarding the merits of the Pine Tree Power proposal, and I was invited to speak at number of public meetings where voters were seeking information. In most of these instances, the questions and comments from the public reflected a genuine interest in better understanding how we regulate utilities today and how that might change if Question 3 passes.

When the campaign began, our Office made a difficult decision to not take a position on the proposal. Despite being lobbied to pick a side, and criticized for not doing so, I believe we made the right decision. By staying neutral, we advanced our mission of being a “trusted source for utility information” and provided a safe, unbiased place where many undecided voters could go for reliable answers to their questions.

Regardless of the outcome on November 7<sup>th</sup>, I believe the campaign provided an important “teachable moment” for the public to gain a better understanding of the regulation of Maine utilities. The rules and procedures are extraordinarily complicated and require time and care to explain fully and accurately. Question 3 required all of us involved in the regulation of utilities to explain what we do every day, in a way that the average voter with limited time can understand. This exercise was worthwhile and, regardless of which side wins, this exchange of information will benefit Maine citizens for many years to come. We make important decisions every week in Augusta that affect utility ratepayers. To do our jobs well, we need an informed and engaged public to tell us about their priorities and concerns. I am hopeful that this fall’s campaign moved us a little closer to that goal.

William Harwood

### [Find Out More](#)

To learn more about any of the cases mentioned in this issue, please visit the [PUC’s Case Management System \(CMS\)](#). Make note of the docket number of the case of interest from this newsletter and enter it in the search feature.

You can visit our website for more information: <https://www.maine.gov/meopa/home>

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## **DHHS to send Letters to Low-income Mainers notifying them that they qualify for a Credit on Their Electricity Bill**

67,000 low-income electricity customers who are eligible to receive a Low Income Assistance Program (LIAP) credit on their bill, because of their household income and participation in a DHHS means-tested program (for example SNAP, TANF, or WIC), will soon receive a letter from DHHS telling them how to receive the credit. The OPA encourages people to watch their mail and act immediately.

As electric bills have soared, low-income Mainers have struggled to make ends meet. The LIAP program is designed to give relief. Low-income Mainers should not have to choose between necessities like medication and food and keeping the lights on. By returning the letter to their electricity utility, ratepayers will automatically receive a LIAP credit on their electric bill. The average credit will be approximately \$425 (the exact amount may vary substantially based on income and usage). The DHHS letter outlines how to receive the credit:

- Fill out the three questions on the first page of the letter;
- Send the letter (or a photo/copy of it) to your electric utility;
- The postal or email address for your utility is on the back of the letter.

If customers need help filling out the form, they can contact their utility (phone number and email address are on the back of the letter).

## **Deputy Public Advocate Landry Speaks at State Chamber Energy Summit**

On October 16, Deputy Public Advocate Andrew Landry appeared on a panel at the 2023 Energy Summit of the Maine State Chamber of Commerce, held at the Maple Hill Farm Conference Center in Hallowell. The panel in which he participated addressed Investing in Maine's Energy Economy.

In his remarks, Mr. Landry stressed the need to include energy efficiency and load management investments as part of the State's long term plan. Mr. Landry praised the efforts of Efficiency Maine Trust in developing and implementing programs to support this resource and the Governor's Energy Office for undertaking a comprehensive long term resource plan. To achieve the State's climate policy goals in a manner that is affordable for Maine consumers, Mr. Landry emphasized that it will be essential to drive incremental load associated with beneficial electrification, such as electric vehicles and heat pumps, to periods of the day when renewable generation is abundant, such as midday and late night. This will avoid unnecessary system expansions, thereby allowing incremental sales to help offset the cost of the existing system rather than new construction.

## [Electric Ratepayer Advisory Council](#)

The Council has continued to meet throughout 2023 with the goal of making recommendations that will reduce electricity bills for Maine ratepayers. During its seven meetings so far this year, the Council has discussed low-income assistance in other states, legislation affecting electric ratepayers, and the progress of recommendations the Council made in its 2022 report. Two meetings have been

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scheduled for November to decide on recommendations for the 2023 report, which is due to the Joint Standing Committee on Energy, Utilities, and Technology (EUT) on December 1<sup>st</sup>.

## Legislative Advocacy

The EUT Committee was given permission to meet four times in the interim period between sessions to work on bills that were carried over from the previous session. The OPA will participate in these hearings and work sessions and will provide updates as they become available. The first of these meetings was held on October 24<sup>th</sup> and the next meeting is scheduled for November 8<sup>th</sup>. The Committee's goal is to have all carry-over bills voted on by the end of January.

## PUC Electric Proceedings

### **OPA Argues for Sensible Rate Design Changes**

The Maine Public Advocate has been active in multiple proceedings investigating changes to the way in which the cost electricity is charged to customers. Electricity has traditionally been billed to residential and small commercial customers based on the volume of electricity purchased over the entire monthly billing period, measured in kilowatt hours (kwh). In addition, customers are subject to a minimum charge that covers the basic cost of interconnection regardless of the volume of kwh purchased. Larger class customers are also subject to a demand charge, which is imposed based on the largest amount of electricity purchased in a single hour during a month.

In a group of separate proceedings, the Commission is considering changes to the current rate design used by Maine's T&D utilities. In Docket No. 2022-00152, among other things, stakeholders are working on a proposal to develop new time of use rates for residential customers of Central Maine Power. CMP has an existing voluntary time of use rate for residential customers, but it is the consensus of the participating stakeholders that these rates no longer accurately reflect the correct time periods of peak usage and may have an insufficient rate differential between peak and off peak periods to encourage customers to make efficient use of such a rate.

In Docket No. 2023-00019, the Commission has requested comments on whether and how it might implement time of use rates for standard offer supply service. Like delivery service, the cost of supplying energy during peak periods, typically early evening hours during the hot summer months and cold winter months, is more expensive than other hours of the day. In addition, the energy generated during these hours typically includes a higher percentage of fossil fuel generated power.

In both of these proceedings, the OPA has advocated a cautious approach to implementation of time of use rates, emphasizing the need for additional research and a preference that such rates be implemented on a targeted basis in combination with load management programs. The OPA believes its approach will allow participating customers to make the most efficient use of these rates and provide the desired reduction in peak load from Maine customers.

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In Docket No. 2023-00230, the Commission is investigating rate design for the recovery of stranded costs, specifically the increased costs resulting from the implementation of the State's net energy billing programs. In a previous proceeding, the Commission decided that these costs should be collected from customers of all classes by increasing customer charges. This has resulted in rate increases that are not proportionate for all customers. This proceeding will explore whether and how this rate design could be modified to make it more equitable.

In the previous proceeding, the OPA had argued that if the Commission decided to use customer charges to collect stranded costs, it should consider increasing the number of kwh included in the customer charge for residential and small commercial customers and should consider using an increased demand charge in lieu of an increased customer charge for larger classes. The OPA believes these changes would temper the impact on those customers that have been disproportionately affected and anticipates making similar arguments in this new proceeding.

## **The OPA Reviews Solar Developer Requests to be Exempt from Net Energy Billing (NEB) Deadlines**

On October 19, the Commission held a technical conference on the good cause petitions of multiple solar companies, representing more than 20 MW of proposed solar projects (Docket No. 2023-00236). These projects filed requests for good cause exemptions to the statutory deadline of December 31, 2024 for a solar project to become operational in order to participate in the NEB program. The project developers allege that they would be operational by the deadline, but they have experienced interconnection delays outside of their control.

The OPA estimates that the NEB program will cost ratepayers \$220 million per year once all eligible projects are online. The projects included in the petition represent millions of dollars in annual ratepayer costs if they are allowed to participate in the NEB program. This case is one of the first good cause exemption requests filed with the Commission and will set an important precedent for other projects seeking good cause exemptions.

## **The OPA Files Request with PUC to Mitigate the Costs of the Net Energy Billing (NEB) Program**

On October 20, the OPA filed a petition requesting that the PUC initiate the distributed generation (DG) procurement provided for under recently enacted legislation (LD 1986) with the goal of diverting projects from entering the NEB program (Docket No. 2023-00281). The OPA requested that the PUC move quickly to initiate the proceeding because each month as more NEB projects come online, the ratepayer cost of the program increases. The OPA hopes that this procurement will divert projects from the costly NEB program into a more reasonably priced power purchase agreement (PPA) with one of Maine's two investor-owned utilities.

The OPA requested that the PUC choose a fixed price of 10 cents/kWh and allow projects to opt in to a PPA at that fixed rate. Compared with approximately 15 cents under the tariff rate program and

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more than 20 cents under the kWh credit program, a 10 cent rate would provide significant ratepayer savings. It's also a fair price to developers, as recent cost estimates for developing community solar are typically less than 10 cents/kWh.

## **PUC Approves Versant Power Request for Recovery of Storm Restoration Costs**

On June 15, 2023, Versant Power (Versant) filed a Petition for Approval of Accounting Order, seeking to defer, for recovery in a future rate case, approximately \$5.5 million in incremental distribution costs used for restoration of service following a windstorm that struck within its service territory on December 23, 2022 (Docket No. 2023-00140). Versant asserted that these incremental costs were extraordinary and thus meet the standard for issuance of an accounting order.

On October 17, 2023, the PUC issued an Order agreeing with Versant that its restoration costs associated with this storm were extraordinary and therefore meet the standards for an accounting order. The PUC's Order allows Versant to defer on its books of account its incremental expenses of restoring electric service after December 23, 2022 storm, along with carrying charges. Ratemaking treatment for the deferred amounts will be decided in Versant's next general rate case.

## **PUC Opens Inquiry Regarding Competitive Electricity Providers Providing Service to Low-Income Customers**

The PUC has initiated an Inquiry regarding what legislative action, if any, could be taken to ensure that low-income customers receive stable and affordable electricity rates while still being able to participate in Maine's competitive electricity market (Docket No. 2023-00275). This inquiry is the result of a letter sent to the PUC by the Chairs of the Energy, Utilities and Technology Committee of the 131st Maine State Legislature, requesting that the Commission explore issues and options that arose during the legislative session in relation to low-income customers participating in the competitive electricity market. Specifically, that letter referred to legislation that had been proposed, but which ultimately was not enacted, that would have prohibited a competitive electricity provider (CEP) from selling energy to a customer who is receiving financial assistance under a low-income assistance program unless the rate for the energy was lower than the rate for standard offer service.

The PUC's Notice of Inquiry requests input on administrative issues identified through the legislative process, including what methods could be used to obtain consent from a customer sharing their low-income assistance program status and whether the comparison between the CEP's rate and standard-offer rate must be conducted only at the time of sign up or on an ongoing basis. The PUC has also requested comments on what options may be available to achieve protection for customers who participate in a low-income assistance program other than capping the cost of electric supply at the standard offer rate. Comments in response to the PUC's Notice of Inquiry are due by November 15, 2023.

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## **PUC Opens Inquiry into Compliance with Generator Interconnection Timelines**

The PUC has opened an Inquiry to examine the regularity with which Transmission and Distribution (T&D) Utilities and generation project developers comply with the required interconnection timelines in Chapter 324 of the PUC's rules. Chapter 324 establishes procedures and protocols for small generators to interconnect to the T&D system. The rule includes specific timelines for the generator interconnection process. The Commission has requested information on whether some of the timelines in Chapter 324 are reasonable for Interconnection Customers and for T&D Utilities and if these timelines reflect current utility practice. The first step in this Inquiry is for T&D Utilities to file information regarding timeline compliance by December 1, 2023.

## **The PUC Collects Information from Versant Power, Central Maine Power, and Efficiency Maine Trust on the Arrearage Management Program (AMP)**

The AMP program provides that past indebtedness of qualifying low-income electric ratepayers will be forgiven by the utility, if the ratepayer pays their current amounts owed. By January 28, 2024, the PUC must prepare a report assessing the effectiveness of the AMP program. On September 14, 2023, the PUC opened an Inquiry to seek public comment for this report, and to collect information from Versant Power, Central Maine Power, and Efficiency Maine Trust about customers who have participated in AMP (Docket No. 2023-00239). A stakeholder meeting will take place on December 6, 2023 to comment on a draft of the report. Final comments are due on December 20, 2023.

## **OPA Files Final Comments Regarding Amendments to Maine's Arrearage Management Program (AMP)**

On June 9, 2019, the OPA requested the PUC to adopt recommendations made by the Electric Ratepayer Advisory Council (ERAC) to amend the PUC's Rules (Chapter 317) describing Maine's Statewide Arrearage Management Program (AMP or "the Program") (Docket No. 2023-00134). On July 28, 2023, the PUC initiated a rulemaking to amend Chapter 317 – Maine's Statewide AMP program (Docket No. 2023-00134). This is the program for customers who can keep up but cannot catch up, forgiving past-due amounts for customers who keep up with their current bills. The OPA, Central Maine Power (CMP), and Versant Power (Versant), all filed suggestions to support customers enrollment and participation in AMP. The rule changes would:

- Allow an AMP participant to miss two payments before disqualification.
- Allow AMP eligibility once every seven years, rather than just once in a lifetime.
- Allow LIAP customers to automatically qualify for enrollment into the AMP program.
- Raise the maximum monthly forgiveness to \$500 a month (currently it's \$300/month.)
- Make changes to the enrollment process to ensure that participants are not required to pay for more than one month of service when enrolled in AMP.
- Add certain tracking and reporting requirements.

The OPA filed final comments on October 13, 2023.

## Nonwires Alternatives

### **Investigation Opened into CMP'S Highland Substation \$89 Million Rebuild Project**

The OPA's request to open an investigation into CMP's Highland substation \$89 million rebuild project was granted by the PUC (No. 2023-00268). The investigation will include review of the need for the Highland Substation rebuild in relation to the transmission investments that are under study by CMP in the Mid-Coast region. The OPA argued for, and the Commission authorized, the undertaking of a Nonwires Alternative (NWA) assessment by the NWA Coordinator. This review will analyze whether the substation rebuild is the least costly alternative to meeting the reliability needs of the Mid-Coast region.

## PUC Natural Gas Proceedings

### **PUC Seeks Information Regarding Reorganization of Bangor Natural Gas Company**

On October 4, 2023, Bangor Natural Gas Company (Bangor Gas) filed with the PUC a Notice of Change in Management for Bangor Gas (Docket No. 2021-00019). Through that Notice, Bangor Gas informed the PUC of a change in the President of Bangor Gas, as well as the designation of new directors for Bangor Gas. Previously in this case, the PUC had approved a Stipulation authorizing a reorganization in which Ullico Infrastructure Fund (UIF) would acquire Bangor Gas's parent corporation, Hearthstone Utilities Inc. The PUC's Order Approving Stipulation adopted provisions regarding protection of local management control sufficient to protect the interests of Bangor Gas's customers. The Commission requested information from Bangor Gas as to how the change in management is consistent with the provisions of the Stipulation. Bangor Gas provided a written response on October 30, 2023. The OPA will be reviewing this response to ensure that the change in management is consistent with the prior Stipulation and that the new management structure will adequately protect the interests of Bangor Gas's customers.

### **Summit Natural Gas Proposes Split in Its Large Commercial Rate Class**

Summit Natural Gas of Maine, Inc. (Summit) has filed for approval revised Terms and Conditions of Service and rate schedules to create an Intermediate Commercial Class of service, with a proposed effective date November 1, 2023 (Docket No. 2023-00255). In its request, Summit states that its proposed modifications would essentially split its Large Commercial Class into two classes: (1) customers with meters rated at less than 23,000 cubic feet per hour, designated as Intermediate Commercial customers, and (2) customers with meters at 23,000 cubic feet per hour, that would continue to be designated as Large Commercial customers. Summit proposes that the rates and charges for Intermediate Commercial customers remain the same as are in place for Large Commercial customers but that under the proposed modifications Large Commercial customers would be subject to additional balancing, notice, and interruptible provisions. Parties to this proceeding have been working collaboratively to reach agreement on appropriate tariff language to

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protect small gas sales customers from potential negative consequences of very large commercial customers taking sales service on a sporadic, backup basis.

## **Northern Utilities Seeks PUC Approval of New Precedent Agreements**

Northern Utilities, Inc. d/b/a Unitil (Northern) has requested PUC approval of precedent agreements entered into by Northern with Portland Natural Gas Transmission System and TransCanada Pipelines Limited for a firm natural gas pipeline transportation path from Empress, Alberta to Northern's affiliate Granite State Gas Transmission, Inc. (Docket No. 2023-00254) Northern states that this proposed capacity will provide the following benefits for Northern's customers. It will:

- Provide reliable supply at cost-effective rates,
- Decrease reliance on imported LNG,
- Provide cost savings and price stability, and
- Provide more access to liquid supply markets.

Northern states that approximately 7,493 Dth/day of the proposed capacity will be supported by Maine Division customers during the current gas rate year. Northern seeks an expedited determination by January 26, 2024 from the PUC that its decision to enter into the Empress Capacity Agreements is prudent and represents efficient utility operation and the utilization of sound management practices. In addition, Northern seeks a PUC determination that the costs associated with the agreements are prudent and recoverable through the Company's cost of gas rates pursuant to 35-A M.R.S. § 4703. Northern expects service on the new Empress pipeline path will commence on April 1, 2024. The PUC is in the process of developing a procedural schedule that will satisfy the timeline proposed by Northern for an expedited PUC decision.

## [PUC Water Proceedings](#)

### **PUC Dismisses a "10-Person Complaint" Asking the PUC to Open a Formal Investigation Into the Auburn Water District's Actions Regarding Lake Auburn**

On March 23, 2023, a group of local customers and residents filed a complaint against the Auburn Water District (AWD), saying that the District has acted in ways that threaten the quality of water in Lake Auburn and which may lead to significant water rate increases (Docket No. 2023-00069). Currently, Lake Auburn has a federal waiver from the requirement to build a costly filtration system which is otherwise required for surface water drinking water sources. On September 21, 2023, PUC Staff recommended that the case should be dismissed because AWD has taken adequate steps to resolve the cause of the complaint, but that AWD would be required to file documents showing it has kept its promises made in a companion Business Court case to adequately address the water quality and filtration waiver concerns. The OPA filed comments asking for the PUC case to remain open until those future filed Court documents could be reviewed but on October 18, 2023, the PUC



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ordered for the case to be dismissed but stated that if the parties are unable to resolve the issues through the Business Court litigation, 10-Persons could renew their complaint at the PUC.

## **Maine Water Company (MWC) Camden & Rockland (C&R) Customers Have Until November 3 to Weigh in on Request for Rate Increase**

On June 30, 2023, the MWC asked the PUC for permission to raise its revenues by 2.34% by adding a surcharge to C&R customers' bills to recover the costs (approximately \$1.7 million) of repairs/replacement of water mains and other equipment (Docket No. 2023-00163). On July 13, 2023 the OPA filed comments asking why customers were not provided with notice of this case. The PUC agreed with the OPA and suspended the proceeding until MWC sent the necessary notice to customers. On October 10, 2023, the OPA objected to the draft notice MWC planned to send because it did not have the necessary information for customers to understand and participate in the proceeding. But, on October 23, 2023 the PUC overruled the OPA's objection. Customers now have until November 3, 2023 to file a comment, intervene in the case, and/or request a public witness hearing.

## **Lincoln Water District's (LWD) Will Hold a Public Meeting to Describe its Request for a Special Rate Contract with Poland Spring**

On June 23, 2023, LWD notified the PUC that it would be amending its lease between LWD and Poland Spring Bottling Company (Docket No. 2023-00151). LWD also would be creating a Special Rate Contract (SRC) between the District and Poland Spring. The OPA responded that LWD was required to hold a Public Meeting to give customers an opportunity to comment on the lease. Over objection by LWD, the Commission found that Poland Spring is a customer of LWD, subject to a public meeting exemption by statute. However, for an agreement of this significance for LWD and its customers, there must be an opportunity for the public to receive information, ask questions, and weigh in. LWD has announced it will hold a public meeting on November 14, 2023.

## [Consumer Assistance](#)

Elizabeth Deprey, OPA Consumer Advisor

### **How Does Community Solar's 5-Day Rescission Rule Work?**

We've had a number of people call our office asking for the rules around canceling a Community Solar contract. It works a bit differently than some of the other products and services you may be paying for, so here's a breakdown:

- Call your solar company's customer support line to cancel. Can't find their number? If they haven't emailed you or sent you a bill with contact information, you can find your solar company on the delivery page of your bill – give us or your power company a call if you need help. Don't recognize that LLC? Look them up in the [PUC's database](#) and check out the website to find contact information.

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- You have the right to cancel your agreement, orally or in writing, until five days after you receive your first bill or invoice from the solar company, and you will be responsible for paying only that first bill or invoice. Note: This Five-Day Recission Rule applies even if you cancel before you get the bill.
- If you are past the Five Day Recission Rule, many solar companies can take up to 90 days to cancel your account and you will be responsible for the bills in the meantime. Read your contract to understand your specific company's policy on cancellation.

Given this, please be sure you thoroughly read any contract with a community solar company and make sure it's a good fit for you. Even just the act of agreeing to sign on can put you on the hook for at least one bill.

More questions about Community Solar? Visit our updated web page at [https://www.maine.gov/meopa/electricity/community\\_solar](https://www.maine.gov/meopa/electricity/community_solar)

## Big changes coming to Efficiency Maine Heat Pump Rebate Program

Efficiency Maine in September announced a shift in focus for heat pump rebates from “partial-home” heat pumps to “whole-home” heat pumps. Rebate amounts are increasing, but heat pumps must be sized to meet at least 80% of the home's peak heating load to qualify. Note: \$2,000 federal tax credits are still available to support both partial-home and whole-home heat pumps. [Learn more from Efficiency Maine.](#)

## State Announces Help for Low-income Broadband Consumers

The Maine Connectivity Authority (MCA) has announced that qualifying low-income broadband customers will receive a discount of up to \$30 per month (up to \$75 per month for qualifying tribal households) and a one-time \$100 discount toward a laptop, desktop computer, or tablet. The Affordable Connectivity Program (ACP) is funded by the Federal Infrastructure Investments and Jobs Act (IIJA). MCA's “ACP4ME” campaign is hoping to reach approximately 240,000 eligible Maine households. Eligible households earn 200% of the Federal Poverty Guidelines or less. For a household of 4, that is \$60,000. Also, this benefit may not be available after June 2024, so we encourage people to act quickly to benefit their household for as many months as possible. To learn more, visit [maineconnectivity.org/affordability](http://maineconnectivity.org/affordability)

## What to do if you are behind on your utility bills

- Contact your utility. Ask about a payment arrangement to pay down your back balance.
- If you have a payment arrangement with your utility and you can't afford it, contact the PUC's Consumer Assistance Division at (800)452-4699 to see if they can negotiate a more favorable rate for you.
- Call your local CAP. There are heating, electric, and pandemic assistance funds available to help with your utility bills.
- Contact your town for general assistance fund support.

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- If you are eligible for heating assistance, call your electric utility and ask about enrolling in arrearage management. This program provides debt forgiveness as you pay your current electricity bill on-time.

## [Having trouble paying a utility bill?](#)

The PUC has a webpage to connect you to bill assistance resources. This list covers all utilities and is a great page to review if you are having trouble making ends meet:

<https://www.maine.gov/mpuc/consumer-assistance/programs>

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