



STATE OF MAINE

OFFICE OF THE  
PUBLIC ADVOCATE

**ANNUAL REPORT**

July 1, 2019 - June 30, 2020

Photograph Copyright.  
Stephen Beckwith  
Scenes of Maine Photography  
[www.scenesofmaine.com](http://www.scenesofmaine.com)



State of Maine  
**Office of the Public Advocate**  
112 State House Station, Augusta, Maine 04333-0112  
(207) 624-3687 (voice) 711 (TTY)  
[www.Maine.gov/meopa](http://www.Maine.gov/meopa)

Janet T. Mills  
GOVERNOR

Barry J. Hobbins  
PUBLIC ADVOCATE

September 1, 2020

Dear Governor Mills, Chairman Lawrence, Chairman Berry, and Members of the Joint Standing Committee on Energy, Utilities, and Technology (“EUT”),

As required by 35-A M.R.S. §1702 (6), the Office of the Public Advocate (“OPA”) submits this Annual Report of activities which provides an overview of the office’s work in the prior year. During this past year, the OPA has been active in 118 proceedings at the Maine Public Utilities Commission (“MPUC”) and 12 proceedings at the Federal Energy Regulatory Commission (“FERC”). The office has continued its legislative involvement by attending all public hearings, work sessions, language reviews and testifying on legislation affecting Maine utility customers before legislative committees.

The OPA’s primary responsibility is to represent the interests of Maine utility consumers. Our attorneys and staff advocate for rates, services and practices to benefit residential customers in state and regional forums and provide information and advice to ratepayers.

This office has pursued its mission for the past 39 years earning both the respect of customers and regulated utilities. While there are a variety of ways to measure the success of the office, the most easily understood is money saved for the utility consumers. Advocacy by the OPA up to and including Fiscal Year 2020 brings the OPA’s 39-year total to more than \$925,576,871.90. Please see page 38 of this report for the yearly cumulative savings comparison which shows a savings for this past year of \$337,727,967.00. For fiscal year 2019-2020 the OPA had a total budget of \$2,516,615.00.

The OPA has continued to participate and monitor the New England Clean Energy Connect (NECEC) matter. By continuing to be involved the OPA’s participation is to ensure that it provides benefits to Maine ratepayers and that Maine ratepayers are not adversely affected by CMP’s pursuit of the project.

The Second Regular Session of the Maine State Legislature adjourned *sine die* (with no appointed date for resumption) on March 17, 2020 due to COVID-19. Many bills were left in jeopardy by this adjournment and it is the hope of the OPA that they will be properly addressed in a special session as soon as it is safe to recommence the session or in any other way that keeps the legislators and their staff safe.

The OPA appeared before the EUT during the second session of the 129th Legislature offering testimony during public hearings as well as working with the Committee during work sessions and language reviews. More information can be found at the Legislative Advocacy section in this report.

The OPA participated in several stakeholder groups including the study of the continued exploration of transmission grid reliability and rate stability in Northern Maine, economic, environmental and energy benefits of energy storage to the Maine Electrical Industry and transmission solutions to enable renewable energy investment in the state. In addition, the OPA was charged with convening a stakeholder group to explore and consider issues related to establishing a single statewide franchise.

The Joint Standing Committee on Energy, Utilities and Technology (EUT) notified the OPA on May 1, 2019 of their intention to review the office in accordance with the schedule and process established in Government Evaluation Act (GEA), 3 MRSA Ch. 35. The GEA is an additional process put in place to aid the Legislature with its duty in serving as a check and balance on those who administer the laws of the State. The OPA was directed to prepare a program evaluation report to be due November 1, 2019 and was submitted electronically on that date. On February 12, 2020 the OPA appeared before the EUT and presented this report and answered any questions they may have had. On February 27, 2020 the EUT committee issued a letter to The Honorable Troy D. Jackson, President of the Senate and The Honorable Sara Gideon, Speaker of the House of Representatives stating the committee found that the Office of the Public Advocate is operating within its statutory authority. The Program Evaluation Report for the Public Advocate can be found at [www.maine.gov/meopa](http://www.maine.gov/meopa).

In 2019, the Maine legislature passed a law to implement cost effective alternatives, referred to as Nonwires Alternatives (“NWA”). NWA’s are electric utility system investments and operating practices that can defer or replace the need for specific transmission and/or distribution projects, at lower total resource cost, by reliably reducing transmission congestion or distribution system constraints at times of maximum demand in specific grid areas. For fiscal year 2019-2020 the OPA had a total budget of \$800,000.00 for this project. More information regarding the NWA can be found in the Electricity section of this report.

On August 30, 2019, the OPA filed its recommendation with the Maine Public Utilities Commission to address the extensive misconduct of Electricity Maine in recent marketing efforts. More information regarding this matter can be found in the Electricity section of this report.

The OPA has also been actively involved in the Maine Telecommunications Relay Council for many years. The Council is responsible for the oversight and management of relay services, which allow Maine residents who are deaf, hard of hearing or late-deafened to obtain telecommunications services on an equal basis as hearing residents.

The OPA continues its assistance to customers regarding their utility bills and issues relating to utilities as well as provide help to navigate thru the Consumer Assistance Division established at the PUC. The OPA also works towards providing support for the development of programs that help to maximize energy savings at a low cost. The OPA has this past fiscal year continued to provide to legislators, stakeholders and other interested parties a bi-weekly newsletter providing an update of the recent efforts of the OPA.

In my capacity as Public Advocate I was recently re-appointed for a second two-year term to serve as a Representative Member for the National Association of State Utility Consumer Advocates (NASUCA) on the Federal Communications Commission's (FCC's) North American Numbering Council (NANC). NANC advises and makes recommendations to the FCC on numbering policy and other technical issues. I began my second term by attending a meeting held in Washington, DC on January 16<sup>th</sup>.

I spent the last year as a member of The Maine Climate Council Energy Working Group representing the interests of the OPA. This working group was formed to evaluate and recommend short- and long-term mitigation strategies to reduce gross and net annual greenhouse gas emissions from Maine's energy sector and also to recommend and evaluate strategies and actions with regard to climate change.

This past year brought changes to the OPA's office itself. Andrew Landry joined the OPA as Deputy Public Advocate in July of last year after the retirement of the prior Deputy. In the past fiscal year, the OPA reinstated the prior position of an Economic Analyst. Paul Leparulo, CFA joined the OPA at the end of 2019.

We welcomed Susan Chamberlin and Nanette Ardry at the beginning of 2020 to fill vacant Senior Counsel positions vacated by staff members who went on to positions at the PUC. These additions to the OPA staff have proved invaluable and I urge you to visit the OPA website to review the staff page. The website can be found at [www.maine.gov/meopa](http://www.maine.gov/meopa).

The OPA would like to recognize the recently reached milestone by Efficiency Maine Trust ("EMT"). EMT was established on July 1, 2010 and is an independent, not-for-profit, quasi-state agency tasked with helping to address energy concerns for the people of Maine. For the past 10 years EMT has administered countless programs serving both the individual and business customer and has resulted in the installation of high-efficiency equipment aimed at lowering energy costs for Maine's energy consumers. The OPA would like to thank Executive Director Michael Stoddard and his dedicated and hardworking staff and congratulate them for their efforts and their successful programs.

It goes without saying how coronavirus disease of 2019 ("COVID-19") has affected us all. As of March 17, 2020, and currently, the OPA's physical office location is open to staff only. The office remains available to the public by telephone during regular

---

business hours by contacting (207) 624-3687 and after hours by leaving a voicemail. The OPA may also be contacted by emailing [opa@maine.gov](mailto:opa@maine.gov). We have worked closely with Bureau of Human Resources (“BHR”) to make sure the OPA is following state guidelines and we continue to reevaluate to see when it will be safe to lift this restriction. I would like to thank both BHR and Governor Mills along with her staff for their assistance and leadership during this unprecedented time. My sincere appreciation goes to the staff of the OPA. Between a combination of remotely working from home and limited staff in the office during limited times they have performed over and above during this challenging time. Simply put – they have not skipped a beat and I express my gratitude to them.

The OPA consistently works to make the Maine ratepayer aware of what the office does on an on-going basis and what it can do to assist them. We are currently working on plans to increase the level of assistance we provide and look forward to implementing those plans in the coming fiscal year.

I along with my staff of the Office of the Public Advocate are pleased and honored to work on behalf of Maine consumers and to represent their interests before the Maine Public Utilities Commission, the Maine Legislature, Federal and State courts, and Federal agencies; and we look forward to continuing to do so.

Sincerely,

A handwritten signature in cursive script that reads "Barry J. Hobbins". The signature is written in black ink and is positioned above the printed name.

Barry J. Hobbins  
Public Advocate

## TABLE OF CONTENTS

1	About the Office of the Public Advocate
2	Electricity
15	Natural Gas
21	Telecommunications
23	Water
26	Legislative Advocacy
32	Support for Utility Customers
34	Economic Analyst
36	Ratepayer Savings
38	Cumulative Ratepayer Savings Comparison Chart
39	Consultant Expenditures Analysis Graph
40	Public Advocate Staff's Hourly Time Analysis Graph

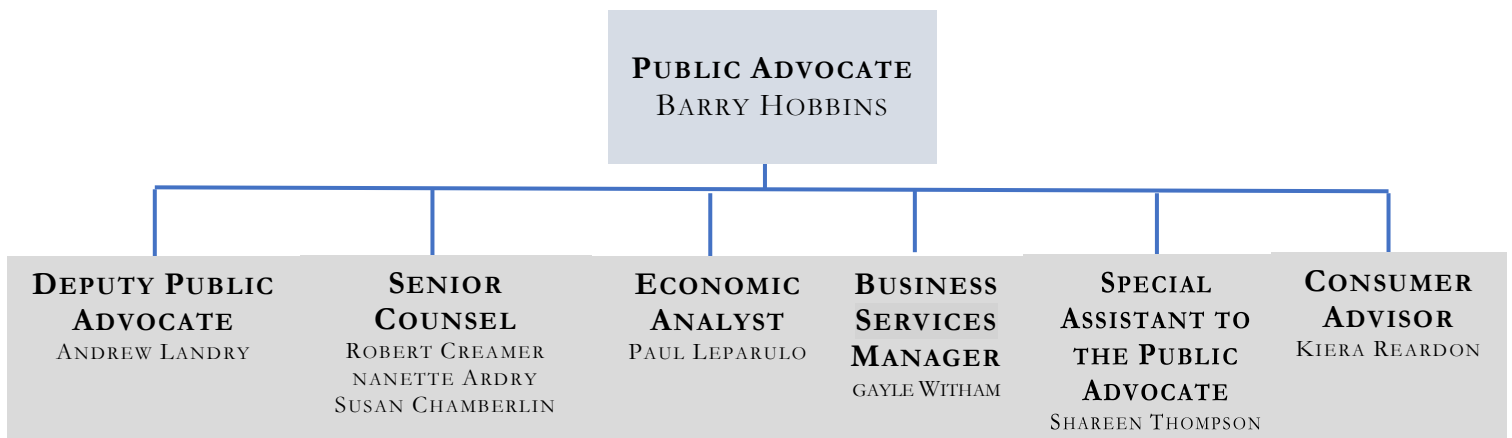




## ABOUT THE OFFICE OF THE PUBLIC ADVOCATE

The Office of the Public Advocate’s primary responsibility is to represent the interests of Maine users of utility services. Our attorneys and staff advocate for rates, services and practices to benefit residential customers in state and regional forums and provide information and advice to ratepayers. For FY 2019-2020 the office had nine employees.

The current organizational structure of the office is identified graphically as shown below.



**Investigation of Improper Notices by Central Maine Power Company,  
Docket No. 2020-00017**

On January 22, 2020, the PUC issued a Notice of Investigation and Order to Show Cause against Central Maine Power Company (“CMP”) regarding customer notices issued by CMP stating that their service can be disconnected in the winter period without Commission approval. On May 8, 2020, CMP and the OPA filed a settlement agreement with the PUC in which CMP agreed to make a \$500,000.00 payment, equivalent to the maximum penalty allowed under Maine law for a single series of events. The fund were proposed to be used to fund a COVID-19 relief fund for electric customers. In addition, CMP agreed to make a public apology for its actions and provide the PUC and OPA the opportunity to review future notice formats in advance. On June 2, 2020 the PUC rejected the settlement agreement, finding that the payment was not a proper administrative penalty.

On August 4, 2020, the PUC voted to impose the maximum statutory penalty of \$500,000.00 and ordering that it be applied as a bill credit to customers participating in CMP’s Electric Lifeline Program. In doing so, the PUC rejected the OPA’s recommendation to use the penalty to provide bill relief to customers experiencing economic hardship due to the COVID-19. However, the PUC did note that enhancing the Electric Lifeline Program would provide some benefit to those adversely affected by COVID-19.

**2017-00232 Request for Approval of CPCN for the New England Clean Energy Connect Construction of a 1,200 MW HVDC Transmission Line from Quebec-Maine Border to Lewiston (“NECEC”) Pertaining to Central Maine Power**

**2019-00179 Request for Approval of Petition Pursuant to 35-A M.R.S.A. §§ 707, 708, 901, and 1101 Related to the Transfer of the New England Clean Energy Connect to NECEC Transmission LLC Pertaining to Central Maine Power Company**

## **Law Court Docket No. PUC-19-182, NextEra Energy Resources, LLC v. Public Utilities Commission**

On May 3, 2019, the PUC granted a Certificate of Public Convenience and Necessity to construct the New England Clean Energy Connect project (“NECEC”), a 1,200 MW HVDC Transmission Line from Quebec-Maine Border to Lewiston. The final order included a number of key provisions advocated aggressively the OPA, including a requirement that the project be moved into a separate affiliated company that would insulate Maine consumers from any adverse financial impacts arising from the project and a variety of public benefit payments not included in CMP’s proposal, including the funding of a \$50 million Low-Income Customer Benefits Fund and a \$140 million Rate Relief Fund.

On May 7, 2019, NextEra Energy Resources, LLC, owner of the Wyman Station oil fired generating unit in Yarmouth and the Seabrook nuclear power unit in New Hampshire, appealed the PUC’s decision, arguing that the PUC had failed properly to require CMP to present a detailed analysis of non-transmission alternatives to the project. The OPA, the PUC, CMP and other interested parties filed briefs on September 23, 2019 defending the PUC’s decision. The Maine Law Court heard oral arguments from the parties on December 6, 2019 and issued a decision upholding the PUC’s decision on March 17, 2020. In its decision, the Law Court agreed with arguments presented by the parties defending the order that the PUC correctly concluded that there was no possible non-transmission alternative to the line since, among other things, the line connected two points that were not presently connected.

On August 13, 2019, CMP filed a proposed plan to transfer NECEC to an affiliated company, as the OPA had requested and the PUC approved in its May 3, 2019 Order. After an initial round of discovery, CMP, the OPA, the Governor’s Office and other parties engaged in extended negotiations regarding the conditions of the transfer. These negotiations concluded with the filing of a settlement agreement on July 30, 2020 that approves CMP’s transfer of NECEC to a newly created affiliate, but which also enhances the public benefits payments by ensuring that they are guaranteed by either Avangrid (CMP’s parent corporation) or by Hydro Quebec, and provides for these payments to start at an earlier date. It also provides for Hydro Quebec to sell a portion of the power delivered over the line to Maine consumers at a favorable rate.

## **2019-00097 Request for Approval of Reorganization pertaining to Emera Maine, Maine Electric Power Company, and Chester SVC Partnership**

On May 7, 2019, Emera Maine filed a request for approval to transfer its ownership from Emera, Inc. to ENMAX Corporation, a utility based in Calgary, Alberta. The proposed merger was the first major proceeding in which the Commission applied the new requirement that the transaction provide a “net benefit to ratepayers” proposed by the OPA and adopted by the Legislature in 2019 as Public Law 353. The previous standard required the utility seeking to reorganize to show that there would be “no net harm” to ratepayers.

After extensive discovery and litigation throughout 2019, the parties engaged in intensive settlement negotiations in late 2019, with ENMAX and Emera both hoping to close the transaction by year end. Ultimately, ENMAX and Emera agreed to a public benefits package worth over \$40 million to customers, including a distribution rate stay out, customer service quality and reliability payments, transmission rate relief, the creation of an \$8 million general rate relief fund and a separate \$5 million low income rate relief fund. This package ensured that the transaction resulted in a net benefit to ratepayers.

The PUC approved the settlement on March 19, 2020 and the transaction closed on March 25, 2020. ENMAX subsequently renamed Emera Maine as Versant Power.

Following the completion of the merger transaction, the OPA began working closely with Versant Power and the Maine State Housing Authority (“MaineHousing”) regarding potential designs for the \$5 million low income rate relief fund. This collaborative process culminated in a filing by Versant Power on June 23, 2020 of a proposed program. Following consultation with other stakeholders, the program was subsequently modified. The updated program design calls for qualifying customers suffering adverse economic consequences as a result of the COVID-19 public health crisis in the Versant Power, Eastern Maine Electric Cooperative, Houlton Water Company, Van Buren Light & Power, and Isle Au Haut service areas to receive \$250.00 electric bill assistance payments. Qualifying customers are defined as those determined to be eligible for the Home Energy Assistance Program (“HEAP”) by local community action programs either during the 2019-20 program year or the 2020-21 program year. The OPA has negotiated a Memorandum of Understanding with MaineHousing for MaineHousing to administer the program at no incremental cost. The OPA and MaineHousing estimate that approximately \$4 million will be distributed to customers during the

2019-20 HEAP program year and another \$1 million will be distributed to new eligible customers during the 2020-21 HEAP program year.

### **2018-00194 Commission Initiated Investigation into Rates and Revenue Requirements Pertaining to Central Maine Power Company**

### **2019-00015 Commission Initiated Investigation of Metering and Billing Issues Pertaining to Central Maine Power Company**

CMP filed a request for a \$22.9 million distribution rate increase on October 15, 2018, subsequently increasing this request to a \$49.5 million increase on July 1, 2019. A key issue in the proceeding was CMP's handling of the implementation of its SmartCare customer billing system, including both the development and launch of the system and its handling of customer complaints regarding metering and billing issues following its launch. Separately, on January 14, 2019 the Commission opened an investigation into the SmartCare system itself.

After extensive litigation and briefing, on February 19, the PUC approved a \$17.4 million rate increase for CMP, a substantial reduction from the \$49.5 million previously sought. The reduction was much larger than typically seen in PUC rate proceedings and reflected a minimum \$10 million downward adjustment to CMP's allowed return on equity as a penalty for its imprudent handling of billing system implementation and response to customer complaints. A significant portion of the increase in costs that CMP was allowed was to provide funding for customer service improvement initiatives, including a more aggressive program to prevent tree related power outages and increased staffing of customer service functions. Separately, on February 24, 2020, the PUC issued an order rejecting CMP's request to increase customer charges on residential customers from a current level of \$12.46 per month to over \$20.00 per month. This change was supported by the PUC staff, but was aggressively opposed by the OPA due to its adverse impact on customers living on fixed incomes and its adverse effect on the state's ability to meet its energy conservation and renewable energy goals.

On February 26, 2020, the PUC issued its final order regarding metering and billing complaints, accepting the recommendations of the OPA to find that CMP's implementation of its new billing system was imprudent, to require additional testing of the billing system, to continue to process individual billing complaints, and to allow the Interim Payment Policy set up to protect customers who had filed complaints regarding their bills to continue. As noted above, the PUC had previously issued a final order in the CMP rate case in which it had imposed a

minimum \$10 million penalty related to its imprudent handling of the implementation of its billing system and poor response to related customer complaints.

### **2010-00256 Application for License to Operate as a Competitive Electricity Provider Pertaining to Electricity Maine, LLC**

In July 2017, after a Staff investigation, the PUC issued an order to Electricity Maine to “show cause why it should not be found to have violated Maine Statutes and Commission rules regarding its operations as a licensed competitive electricity provider (“CEP”) in Maine and be subject to appropriate sanctions.” This order stated that CMP customers had been solicited by door-to-door salesmen who in some cases said they were from CMP, and in other cases, checking meters or auditing CMP bills.

After the completion of discovery and hearings, on August 19, 2019, the OPA filed an extensive brief detailing dozens of individual acts of egregious conduct by sales agents retained by Electricity Maine over a multiyear period. The OPA argued that the numerous individual violations and the continuing nature of those violations were sufficient to support the imposition of administrative penalties totaling over \$5 million, ultimately recommending that an administrative penalty of \$1 million be imposed.

On April 15, 2020, the PUC’s advisory staff Advisors issued a recommended decision that called for revoking Electricity Maine’s license as a competitive provider in Maine, thereby prohibiting them from continuing to operate in Maine. Subsequently, the parties requested that the deadline to file exception to this recommendation be extended to allow them to engage in settlement discussions. The proceeding remains ongoing.

### **2019-00047 Commission Initiated Investigation of Ten-Person Complaints Concerning Service of Central Maine Power Company on the Towns of Dover- Foxcroft, Jackman and Caratunk**

Three separate Ten-Person Complaints were filed in three successive months, starting in November 2018, against CMP by groups of ratepayers in three rural towns served by CMP. The complaints spoke variously of frequent and extended outages, lack of CMP maintenance on lines and insufficient CMP personnel assigned to these areas.

On October 20, 2019, the parties, including the OPA, filed a settlement agreement with PUC intended to resolve all outstanding issues in the proceeding. In the settlement, CMP agreed to undertake a number of steps to improve reliability in the areas that were the subject of the complaints, including implementing a program of enhanced vegetation management, undertaking a number of distribution betterments, and repairing defects identified during past line inspections. In addition, CMP agreed to take steps to address staffing in the subject areas, improve communications with municipal officials, and report on reliability performance in the areas and the actions taken under the terms of the agreement. The PUC approved the settlement agreement in an Order issued on November 22, 2019.

### **FERC Docket No. EL20-42-000 NERA Petition for a Declaratory Order Regarding Net Metering**

On April 14, 2020, the self-styled New England Ratepayers Association (“NERA”) filed a Petition for a Declaratory Order asking the Federal Energy Regulatory Commission (“FERC”) to assert jurisdiction over net metering and to limit it in a manner that would do substantial harm to Maine utility customers and Maine’s climate strategy, as well as equivalent state programs and policies throughout the country. Net metering is a utility billing practice that allows customers to deliver unused energy generated by home renewable energy equipment, such as solar panels, into the utility grid in exchange for service provided during a later period. NERA argued that FERC should find that net metering constitute a sale of electricity at wholesale that should be regulated by FERC under the Federal Power Act.

On June 15, 2020, the OPA filed a formal Protest opposing the Petition. In its extensive legal arguments, the OPA argued that the federal Energy Policy Act of 2005 explicitly delegates jurisdiction over net metering to state regulators. Several federal court orders have affirmed and further defined the extent of this jurisdiction. Over 7,000 customers in Maine participate in net metering, with a total investment of over \$205 million and the creation of over 600 quality jobs in the construction trades. FERC is required under federal law to consider their reliance on existing rules before taking any action. The Maine OPA was the only agency of the State of Maine to file such a formal Protest, although supportive comments were also filed by the Governor and the Attorney General.

On July 16, 2020, FERC issued an order dismissing the Petition, finding that the Petition failed to identify a specific controversy that it should address to terminate a controversy or to remove uncertainty and that the issues presented in the Petition did not warrant a generic statement on the issue.

## **The Nonwires Alternatives Initiative**

In 2019, the Maine legislature passed a law (P.L. 2019, Ch. 298) to implement cost effective alternatives to building certain transmission and distribution infrastructure (Wires Projects) in the state of Maine. These alternatives are referred to as Nonwires Alternatives (NWA). NWA's will save money for Maine ratepayers. During the analysis, the costs to build an NWA are compared to the costs to build a Wires Project. NWAs will be implemented only when the NWA costs are projected to be less.

The law requires the Office of the Public Advocate (OPA) to contract with an NWA coordinator to review utility proposals for significant Wires Project investments and determine whether the investment could be avoided through the use of cost-effective NWA's. OPA selected DNV GL as the NWA Coordinator through a competitive process in December of 2019.

Once selected, DNV GL began coordination with the OPA and Efficiency Maine Trust (EMT) to carry out the in-depth investigation and analysis of NWA's as required by the law. DNV GL, under the supervision of OPA, investigates utility Wires Projects with estimated costs greater than \$20 million. DNV GL also reviews smaller Wires Projects with estimated costs greater than \$500,000.00. For all reviews, DNV GL works with the utility and EMT to determine whether the need could be met cost-effectively using NWA's. When these parties agree that NWA's are the cost-effective option, the utility works with DNV GL and EMT to procure them. If the parties do not agree, the OPA will seek a resolution from the Maine Public Utilities Commission (PUC).

DNV GL and the OPA have undertaken many steps to create the NWA process as envisioned by the legislature. The OPA and DNV GL developed a screening process for determining which projects are suitable for NWA analysis. They proposed a Benefit/Cost Analysis to identify factors within the analysis. They continue to work with utilities to update outmoded planning practices so that NWA analysis can take place expeditiously. Currently, the NWA Coordinator is drafting its reports on two multimillion-dollar utility Wires Projects for Commission review on cost effective NWA's.



## OTHER ELECTRIC CASES

### **2020-00166**

Central Maine Power Company Request for Approval for the Rebuild of Section 1 Pursuant to 35-A MRSA Section 3132-A's

### **2020-00165**

Request for Approval of Tariff Revision EV Charging Station Pilot Program Central Maine Power

### **2020-00164**

Request for Approval of Tariff Revision (7/1/20) Pertaining to Versant Power F/K/A Emera Maine

### **2020-00159**

Commission Initiated Investigation of Possible Suspension of Central Maine Power Company's Revenue Decoupling Mechanism Pertaining to Central Maine Power Company

### **2020-00157**

Request for Approval of Tariff Revision for DMS (7/1/2020) Pertaining to Versant Power F/K/A Emera Maine

### **2020-00155**

Commission Initiated Investigation into Standard for Calculated Heat Load

### **2020-00154**

Central Maine Power Company, Notification Pursuant to Chapter 313 Section 3(P)(1)

### **2020-00152**

Public Utilities Commission Amendments for Criteria to Exclude Small Transmission Projects and Distribution Projects from Investigation by the Nonwires Alternative Coordinate Chapter 319

**2020-00149**

Request for Approval of Tariff Revision (Reactive Demand) (6/15/2020) Pertaining to Central Maine Power

**2020-00146**

Request for Approval of a Rate Change – 307 (9/25/2020) Pertaining to Van Buren Light & Power District

**2020-00140**

Request for Approval of Revisions to Electricity Lifeline Program

**2020-00136**

Commission Initiated Inquiry into Effect of Coronavirus Pandemic of Transmission and Distribution Utilities and Natural Gas Utilities and Their Customers

**2020-00131**

Request for Approval of an Affiliated Interest Transaction with Enmax Pertaining to Emera Maine

**2020-00128**

Commission Initiated Inquiry into Fires Ignited During Storm Restorations

**2020-00125**

Commission Initiated Inquiry of the Nonwires Alternatives Investigation Process

**2020-00114**

Request for Approval of Tariff Revision (7/1/20) of Stranded Costs/Revenue Requirements for 3/1/19 Through 2/28/20 Pertaining to Emera Maine

**2020-00104**

Commission Initiated Inquiry into Request for Solicitation of Proposals Pursuant to Title 35-A, Section 3210-C

**2020-00098**

Commission Initiated Inquiry Regarding Competitive Electricity Door-to-Door Marketing Activities

**2020-00085**

Commission Initiated New Emergency Rulemaking to Implement Recently Enacted Legislation (Chapter 319)

**2020-00081**

Commission Initiated Investigation to Prohibiting Service Disconnections Until Further Notice

**2020-00071**

Commission Initiated Inquiry into Eligibility for Arrearage Management Program for Certain Customers Pertaining to Central Maine Power Company

**2020-00066**

Request for Approval of Rate Change Regarding Annual Reconciliation of Stranded Revenue and Costs Pertaining to Central Maine Power

**2020-00065**

Request for Approval Annual Compliance Filing Pertaining to Central Maine Power Company

**2020-00036**

Request for Advisory Ruling Pertaining to Borrego Solar Systems, Inc. Regarding Chapter 324 – Study Information Sharing

**2020-00035**

Request for Advisory Ruling Pertaining to Sunraise Investments, LLC and Borrego Systems Inc. Regarding Chapter 324 Removal of Storage

**2020-00034**

Commission Initiated Inquiry into Interconnections of Self-Installed Generation Systems

**2020-00033**

Commission Initiated Request for Proposals for the Sale of Energy Renewable Energy Credits from Qualifying Renewable Resources Pertaining to Versant Power F/K/A Emera Maine, Central Maine Power

**2020-00014**

Commission Initiated Competitive Procurement for the Output of Distributed Generations (PL 2019, CH 478 Part B)

**2020-00010**

Commission Initiated Inquiry into Rules Regarding Nonwires Alternative Coordinator Investigations

**2020-00004**

Commission Amendments to Small Generator Interconnection Procedures Rule Chapter 324

**2019-00317**

Request for Approval of a Rate Change – 307 Stranded Cost Rates 3-1-2020 Through 12-31-2022 (7/1/20) Pertaining to Emera Maine

**2019-00310**

Request for Approval of Stranded Cost Revenue Requirements and Rates (3/1/20-12/31-22) Pertaining to Central Maine Power Company

**2019-00309**

Request for Approval of Section 31 Rebuild Pertaining to Central Maine Power Company

**2019-00303**

Request for Rulemaking Regarding Small Generator Interconnection Procedures Chapter 324 Pertaining to Maine Renewable Energy Association

**2019-00280**

Commission Initiated Inquiry Regarding Evaluation of Ownership of Maines Power Delivery Systems

**2019-00226**

Commission Initiated Inquiry into the Small Generator Connection Procedures Chapter 324

**2019-00217**

Commission Initiated Request for Proposals for Pilot Programs to Support Beneficial Electrification of the Transportation Sector (P.L. 2019 CH. 365, Section 5)

**2019-00136**

Commission Initiated Inquiry into Agricultural Fair Assistance Program and Rate Design

**2018-00271**

Public Utilities Commission Investigation of the Impact of the Tax Cuts and Jobs Act of 2017 on Emera Maine

**2017-00324**

Commission Investigation into the Response by Public Utilities to the October 2017 Storm

**2017-00311**

Commission Initiated Investigation of Information Provided to the Commission in Hampden Microgrid Proceeding Pertaining to Emera Maine

**2015-00015**

Commission Rulemaking Arrearage Management Program (AMP) Chapter 317

**2011-00494**

Request for Commission Investigation into Maine Electric Utilities Transmission Planning Standards and Criteria

**2011-00138**

Request for Approval of Non-Transmission Alternative (NTA) Pilot Projects for the Mid-coast and Portland Areas Pertaining to Central Maine Power Company

**2010-00256**

Application for License to Operate as a Competitive Electricity Provider Pertaining to Electricity Maine, LLC

**ER15-1429**

Emera Maine, Maine Public District, Annual Transmission Formula Rate Change

**EL16-19 and ER20-2054**

Investigation into the Reasonableness of the Rates of ISO New England and the New England Transmission Owners

**EL20-42**

Petition for Declaratory Order by New England Ratepayers Association Regarding Net Metering

**RM20-10**

Notice of Proposed Rulemaking regarding Electric Transmission Incentives Policy

**EL19-90**

Investigation to Eliminate Provisions in Tariffs and Agreements that Establish a Federal Right of First Refusal for an Incumbent Transmission Developer with respect to Transmission Facilities

**EL11-66**

Commonwealth of Massachusetts et al v Bangor Hydro-Electric Company et al,  
Complaint seeking an order to reduce the base return on equity used in calculating  
formula rates for transmission service under the ISO-NE Open Access  
Transmission Tariff

**ER15-1434**

Emera Maine, Bangor Hydro District, Annual Transmission Formula Rate Change

**RM19-15**

Notice of Proposed Rulemaking regarding Qualifying Facility Rates and  
Requirements Implementation Issues Under the Public Utility Regulatory Policies  
Act of 1978

**PL19-3**

Notice of Inquiry re Commission's Electric Transmission Incentives Policy

**RT04-2**

Annual New England Participating Transmission Owners Administrative Regional  
Network Service Informational Filing

**EL18-182 and ER18-2364**

Investigation into long-term market solution to address New England regional  
energy security challenges

**2019-00092 Northern Utilities, Inc. d/b/a Unitil, Request for Approval of Rate Change**

On June 28, 2019, Northern Utilities, Inc. (Northern) filed a request for an annual increase in revenues of \$7,033,013.00. According to Northern, this increase was necessary to cover its expense, operating costs, and investments, as well as to provide a return on equity of 10.50%. The Company also sought to recover costs related to the installation of a new customer information system and to implement what it called a “Capital Adjustment Recovery Adjustment” (CIRA) which would allow Northern to seek an annual rate increase to cover the costs of investments made between rate cases.

The OPA filed testimony and briefs disputing many of Northern’s projected cost increases and recommending a return on equity of 9.25%. The OPA also opposed the implementation of the CIRA on the grounds that: (1) the amounts of investment it would address were not financially significant, and thus should be addressed in a regular rate case; and (2) the investments that Northern sought to recover through the CIRA were for ordinary utility operations, so there was no reason to create an exception to the Commission’s practice of requiring rate changes to be the product of a full rate case process where a utility’s entire financial situation is evaluated. In addition, the OPA argued that the costs related to the customer information system were not well-supported.

The Commission, on March 26, 2020, issued an order agreeing with many of the OPA’s arguments and authorizing a revenue increase of \$3,605,412.00, which included a return on equity of 9.48%. The Commission also rejected the implementation of the CIRA and allowed recovery of roughly one-third of the cost of Northern’s new customer information system. The remainder of the costs of that system may be allowed if shown to be prudent in an audit conducted by the Commission.

**2019-00134 Maine Natural Gas Corporation, Request for Approval of Annual Cost of Gas Adjustment Rate (9/1/19 – 8/31/20)**

Maine Natural Gas Corporation (MNG) filed its annual cost of gas reconciliation on June 14, 2019, asserting an under-recovery amount of \$450,052.00.

This was despite including the first year of refunds required by the Commission in its Investigation into Maine Natural Gas Corporation's Large Volume Customer Underbilling, Docket No. 2017-00209. The result, as proposed by MNG, was a monthly increase of \$0.0298 per Dth.

The OPA objected to this increase, noting that it included the recovery of \$117,838.00 for the annual cost of a Parental Guarantee MNG was required to obtain in relation to the Atlantic Bridge project that would expand pipeline capacity reaching Maine. Because much of the Atlantic Bridge has already been placed in service, the OPA argued that MNG's exposure to pre-service costs, which the Parental Guarantee was intended to cover, has been significantly reduced. Thus, the costs related to the Parental Guarantee should also be reduced accordingly. In a follow-on proceeding, resolved by a Commission Order issued on April 28, 2020, MNG agreed with the OPA that the costs related to the Parental Guarantee should be reduced to \$29,780.00.

### **2019-00154 Summit Natural Gas of Maine, Inc., Request for Approval of Cost of Gas Filings**

On July 15, 2019, Summit Natural Gas of Maine (Summit) filed a proposed cost of gas rate CGA rate of \$0.685 per therm for all customer classes for the period October 1, 2019 through September 30, 2020. This included a significant adjustment for the gas used by Summit to operate the gas heaters on its distribution system.

The OPA opposed the inclusion of this heater gas, on the grounds that allowing Summit to include this adjustment would cause all of the costs of gas heater fuel to be paid by gas sales customers, even though gas sales only accounted for about 25 percent of the gas that Summit delivered to all customers during the 2018-19 reconciliation year. It would also cause Summit to double collect, since the cost of this heater gas is already presumed to be recovered through the distribution rate.

The Commission, in an order issued on September 24, 2019, agreed with the OPA and, after removing the cost of heater gas from Summit's calculations, approved a reduced cost of gas rate of \$0.656 per therm.



## **2017-00147 Bangor Natural Gas Company, Inc., Annual Review of Cost of Gas Activities Report**

On June 30, 2017, Bangor Natural Gas Company, Inc. (Bangor Gas) filed its annual cost of gas activities report, reporting its gas purchases, sales and hedging activities. In the course of reviewing this information, it emerged that Bangor Gas was charging the cost of replacing all of the lost and unaccounted for (LAUF) gas on its system to only its “bundled” customers, i.e., those who receive both gas supply and delivery service from Bangor Gas. At the same time, Bangor Gas was charging its transportation customers (those receiving only delivery service from Bangor Gas) a fee to compensate for LAUF gas, calculated at one percent of the gas Bangor Gas delivers to them. The amounts collected through this fee, however, were not used to reduce the amount that the bundled customers paid to replace all LAUF gas on Bangor Gas’ system, but instead retained by Bangor as revenue.

The OPA, in a motion for summary judgment filed on March 22, 2018, argued that this practice violated Maine’s cost of gas statute, 35-A M.R.S. § 4703, which only allows Bangor Gas to charge its bundled customers for costs related to supplying gas to them. The statute does not allow Bangor Gas to charge those bundled customers for costs related to serving other classes of customers, such as the cost of replacing the transportation customers’ share of LAUF gas. Bangor Gas argued, in part, that its practices regarding costs related to LAUF gas had been approved by the Commission in prior proceedings.

The Commission, in an order issued on September 20, 2019, agreed with the OPA and ordered Bangor Gas to refund to its bundled customers the excessive charges relating to the inclusion of transportation service gas losses in rates during the preceding six years. The amount of this refund will be determined in a follow-on proceeding. The Commission also required Bangor Gas to implement a credit for bundled customers to cover the cost of replacing lost gas related to serving transportation customers and ordered further proceedings to determine whether a penalty was warranted and if the Commission should order a management audit of Bangor Gas.

Bangor Gas has appealed this order to the Maine Supreme Judicial Court, and both the Commission and the OPA are participating in this proceeding. Briefing has concluded and oral argument is expected to be held in September of this year.

## OTHER NATURAL GAS CASES

### **2019-00284**

Request for Approval of Changes to Transportation Service Terms and Conditions (35-A M.R.S. Section 307) (7/14/20) Pertaining to Bangor Natural Gas Company

### **2019-00105**

Request for Approval of Precedent Agreement with Westbrook Xpress Phase III Project and Parental Guaranty Pertaining to Bangor Natural Gas Company

### **2019-00145**

Request for Approval of Annual Review of Cost of Gas Activities Report for May 1, 2018 – April 30, 2019 Pertaining to Bangor Natural Gas Company

### **2019-00030**

Petition Seeking Finding that Certain Requirements Relating to 35-A M.R.S. Section 707 and Chapter 820 Do Not Apply to Conversion Services to be Offered by a Utility Affiliate Pertaining to Bangor Natural Gas Company, Inc.

### **2019-00338**

Request for Recovery of Veazie & Orrington Lateral Capacity Charges for Maritimes and Northeast Pipeline Pertaining to Bangor Natural Gas Company, Inc.

### **2018-00301**

Commission Initiated Investigation of Indexed and Fixed Price Options Rates, FPO Hedging Practices and Lost Gas Value Pertaining to Maine Natural Gas Corporation

### **2019-00134**

Request for Approval of Annual Cost of Gas (2019-2020) Reconciliation Adjustment Pertaining to Maine Natural Gas Corporation

### **2019-00048**

Request for Approval of Annual Cost of Gas (2019-2020) Reconciliation Adjustment Pertaining to Maine Natural Gas Corporation

**2019-00048**

Request for Approval of Annual Filing of New Rate Caps and Actual Rate to be Charged Pertaining to Maine Natural Gas Corporation

**2020-00110**

Request for Approval of an Affiliated Interest Transaction with Granite State Gas Transmission, Inc. Pertaining to Northern Utilities, Inc. D/B/A Unitil

**2020-00052**

Request for Approval of Cost of Gas Rates for Summer Period Pertaining to Northern Utilities, Inc. D/B/A Unitil

**2020-00064**

Request for Approval of Targeted Infrastructure Replacement Adjustment Rate (35-A M.R.S.A. Section 4706) and 2019 Cost Iron Replacement Program Reporting Pertaining to Northern Utilities, Inc. D/B/A Unitil

**2019-00123**

Request for Approval of Integrated Resource Portfolio Pertaining to Northern Utilities, Inc. D/B/A Unitil

**2019-00202**

Request for Approval of Cost of Gas Filings Pertaining to Northern Utilities, Inc. D/B/A Unitil

**2019-00101**

Request for Approval of Precedent Agreements for Westbrook Xpress Phase III Project Pertaining to Northern Utilities, Inc. D/B/A Unitil

**2019-00116**

Request for Approval for Voluntary Renewable Tariff Sheets for Voluntary Renewable Natural Gas Attribute Program (11/1/19) Pertaining to Summit Natural Gas of Maine, Inc.

**2019-00120**

Request for Approval of Reorganization Pertaining to Summit Natural Gas of Maine, Inc.

**2019-00150**

Request for Approval of Gas Sale and Purchase Agreement (35-A M.R.S.A. Section 707) Pertaining to Summit Natural Gas of Maine, Inc.

**2020-00120**

Request for Approval of Tariff Revision for the Processing of Conversion Incentive Rebates Pertaining to Summit Natural Gas of Maine, Inc.

**2020-00099**

Request for Approval of Annual Price Change Pertaining to Summit Natural Gas of Maine, Inc.

**RP20-921**

Maritimes & Northeast Pipeline Request for an Increase in Rates

### **Docket No. 2019-00184 – Report Regarding Provider of Last Resort Service**

In early 2016, the 127th Maine State Legislature, in its Second Regular Session, enacted P.L. 2015, Ch. 462, "An Act to Increase Competition and Ensure a Robust Telecommunications Market". Among its provisions, the 2016 Act provided for the removal of the obligation to provide POLR Service for certain ILECs, primarily those that serve the most populous areas of the State. The 2016 Act imposed a reporting requirement on the Commission requiring the Commission to provide the Legislature with a list of municipalities in which the obligation to provide POLR Service has ceased. In addition, the Commission must provide the Legislature with two reports—one in 2018 and one in 2020—on the effect of the removal of POLR Service on former POLR Service customers, Consolidated's workforce, the maintenance and status of the copper line network, public safety, and the cost, features, and availability of telephone service, including service to the hearing impaired, and broadband service. The Commission requested comment on the draft report prior to presenting it to the Legislature. The Office of the Public Advocate filed extensive comments requesting additional information be analyzed and included in the Report. We maintain that information labelled as proprietary by Consolidated Communications is necessary to present to the Legislature to allow for a thorough and complete review of POLR. The Commission presented their report and our comments to the Energy, Utilities and Technology Committee on January 15, 2020.

### **Docket No. 2018-00219 - 10-Person Complaint Regarding Unreliable Land Line Service Pertaining to Consolidated Communications**

The OPA assisted residents of Brooksville in filing a 10-person complaint against Consolidated Communications. We also participated in the case and attended a public meeting in Brooksville that was convened by the PUC to take testimony and hear comments from citizens who experienced extended telephone outages and delays in repairs. Consolidated Communications attended and provided information on the status of the repairs and work to enhance service in that area. The Commission issued an order on August 2, 2019 determining that Consolidated had taken appropriate actions to address customer complaints and no additional actions were needed.

### **ConnectMaine Authority**

Senior Counsel from the Office of the Public Advocate attends the monthly meetings of the ConnectMaine Authority Board, observing and participating on relevant topics. The ConnectMaine Authority is tasked with promoting and facilitating the expansion of broadband access to businesses and residences throughout the State of Maine. The ConnectMaine Authority issues infrastructure and community broadband planning grants. In July, Mainers approved a bond question seeking to borrow \$15 million in general obligation bonds for the ConnectMaine Authority to invest in high-speed internet in communities without access to broadband or which have limited connectivity. Governor Mills signed LD 2134 into law on March 18, 2020, putting the bond issue on the ballot. The ConnectMaine Authority is now undertaking a review of its rule and the process of awarding grants and appeals of grant awards subsequent to the passage of the bond issue. The OPA will review the draft rule and file comments as needed.

### **2019-00333 Request for Approval of Rate Change-The Maine Water Company, Skowhegan Division**

On December 20, 2019, the Maine Water Company filed a request for a rate increase for its Skowhegan Division requesting \$221,238.00 in increased revenue. Much of the increased revenue was attributable to the construction of a new standpipe to replace one in operation since the 1940's. The Office of the Public Advocate intervened and conducted discovery in the case. After a technical conference on the matter held on February 27, 2020, the Company filed updated and reduced revenue requirement calculations. On June 17, 2020, the Commission issued an order approving an agreement between the Maine Water Company and the OPA resulting in a revenue requirement of \$198,070.00 (a reduction of \$23,168.00), phased in over a two-year period and a \$10,000.00 Covid-19 hardship assistance fund to provide financial assistance to customers who are unable to pay their water bill due to unemployment attributable to the impact of Covid-19.

### **2019-00096 Request for Approval of Reorganization with Connecticut Water Service Pertaining to the Maine Water Company**

This case originally began in Docket 2018-00112, which was initiated when, on May 4, 2018, the Maine Water Company (MWC) filed an application for approval of a proposed reorganization whereby its corporate parent, Connecticut Water Service, Inc. (CTWS), would be acquired by SJW Group (SJW) of California. This reorganization would have resulted in MWC becoming part of a much larger corporate entity, with operations in California, Texas, Connecticut, and Maine. A request for approval was also filed with Connecticut's Public Utility Regulatory Authority (PURA). The OPA engaged in extensive discovery of the proposed transaction and the current and post-acquisition operations and organization of MWC, CTWS, and SJW. Additional complexity was added to the case by: (1) the intervention of Eversource Energy, which had made a competing offer to acquire CTWS; and (2) SJW and CTWS negotiating a revised version of their merger and acquisition agreement after proceedings had already begun. On January 23, 2019, MWC filed a withdrawal of its application, after the parties to the merger received a draft decision from the Connecticut PURA indicating that it was unlikely to approve the acquisition of CTWS by SJW. The Commission, through a procedural order issued on January 23, 2019, closed the 2019-00112 docket.

On May 3, 2019, however, MWC filed a new and revised application for approval of the same corporate reorganization, causing the Commission to open Docket 2019-00096, and a parallel proceeding was opened again in Connecticut. After additional discovery and lengthy discussions with MWC, SJW, and CTWS, the OPA entered into a settlement agreement with the MWC that would allow for the acquisition of CTWS by SJW. This agreement, which was approved by the Commission on October 4, 2019, put in place several measures to protect Maine ratepayers from paying for any of the costs of the corporate reorganization and to prevent a decline in service quality in Maine.



## OTHER WATER CASES

**2019-00071**

Request for Approval of Tariff Revision (9/30/19) Pertaining to Paris Utility District

**2019-00201**

10 Person Complaint Concerning Transparency, Accountability, Compensation, Elections and Safety Pertaining to Kittery Water District

**2019-00234**

Request for Approval of Tariff Revision (7/1/20) Pertaining to Rangeley Water District

**2019-00292**

Request for Approval of an Affiliated Interest Transaction Pertaining to the Maine Water Company

Public Advocate Barry Hobbins as well as representatives from the Office of the Public Advocate attended all public hearings and work sessions of the Joint Standing Committee on Energy, Utilities and Technology (EUT) during the second session of the 129<sup>th</sup> Legislature. The OPA regularly appears before the EUT presenting testimony during the public hearings and participates in work sessions and language review sessions. The OPA introduces legislation that works to assist us in our efforts to obtain the greatest benefits for the ratepayers of Maine. The OPA also actively participated during the legislative session in stakeholder groups which we believe greatly benefit the ratepayers of Maine. More information can be found on our website at [www.maine.gov/meopa/reports](http://www.maine.gov/meopa/reports).

### **PL 2019 – c. 608 (LD 2013) “An Act To Extend Arrearage Management Program Requirements for Transmission and Distribution Utilities for One Year”**

LD 2013 “An Act To Extend Arrearage Management Program Requirements for Transmission and Distribution Utilities for One Year” extended for an additional year the statutory requirement for investor-owned utilities to provide an Arrearage Management Program (AMP) to qualifying customers. Specifically, the AMP requirement will remain in effect until September 30, 2022 instead of ending on September 30, 2021.

AMP is available to low-income customers with \$500.00 or more due on their electricity bill, a portion of which must be at least 90 days old. The program is designed to use an incentive by rewarding on-time payments with debt forgiveness and, ideally, establishing a pattern of on-time payments going forward. AMP helps to avoid disconnection and reduces utility and ratepayer expenses associated with bad debt, collection costs and disconnection costs. The goal is to allow low income customers who have fallen behind in their bills an opportunity to become current and avoid disconnection.

This extension of AMP is an opportunity for a novel approach to support low-income customers with financial coaching, energy usage education and energy efficiency measures to ensure that their future bills become more affordable. Through AMP the utilities work to improve customer engagement; Efficiency Maine assists the participating customers to increase the efficiency of their

energy usage and the Community Action Agencies help to provide financial education and thus reduce financial burden on vulnerable households. Through these partnerships, AMP strives to decrease electricity bills, helps customers to budget for future bills, and aids in successful completion of the Program.

Extending the program allowed the needed time to fully implement the improvements to the program and to help it achieve the potential for which it was created – to allow low-income customers who have fallen behind in their bills to lower their usage, to become current and to avoid disconnection.

The PUC is required to report out to the Joint Standing Committee on Energy, Utilities and Technology (“EUT”) on the AMP in January 2022. The EUT may report out a bill relating to the commission report to the Second Regular Session of the 130th Legislature.

This bill was signed into public law by Governor Mills on March 17, 2020.

**PL 2019 – c. 657 (LD 2031) “An Act To Require a Cable System Operator To Provide a Pro Rata Credit When Service is Cancelled by a Subscriber”**

LD 2031 “An Act To Require a Cable System Operator To Provide a Pro Rata Credit When Service Is Cancelled by a Subscriber” which requires that a franchisee must discontinue billing a subscriber for a service within 2 working days after the subscriber requests to cancel that service disconnection unless the subscriber unreasonably hinders access by the franchisee to equipment of the franchisee on the premises of the subscriber to which the franchisee must have access to complete the requested disconnection cancellation of service.

A franchisee shall grant a subscriber a pro rata credit or rebate for the days of the monthly billing period after the cancellation of service if that subscriber requests cancellation of service 3 or more working days before the end of the monthly billing period. Every franchisee shall include on each subscriber bill for service a notice regarding the subscriber's right to a pro rata credit or rebate for interruption of service upon request. The notice must include a toll-free telephone number and a telephone number accessible by a teletypewriter device or TTY for contacting the franchisee to request the pro rata credit or rebate for service interruption or service cancellation. The notice must be in nontechnical language, understandable by the general public and printed in a prominent location on the bill in boldface type.

The purpose of this bill is to reform unfair cable company billing practices. It clarifies Maine law to ensure that cable providers must pro-rate charges when a customer disconnects service.

This bill was signed into public law by Governor Mills on March 18, 2020.

## **PL 2019 – c. 586 (LD 2032) “An Act To Reduce Financial Burdens on Small Water Utilities”**

LD 2032 “An Act To Reduce Financial Burdens on Small Water Utilities” sought to address that under current law, a qualified small water utility with gross annual revenues of \$50,000.00 or less is required to have an independent audit of internal accounts of that water utility performed by a certified public accountant for any year the water utility seeks a rate increase. This bill allowed the Public Utilities Commission to waive that independent audit requirement if the water utility shows good cause as to why the requirement should be waived. By allowing a rate case to proceed without such an audit, this will give a qualified small water utility the opportunity to raise proper revenue to establish a better financial position, so operational costs, including financial audits, can be covered in the future.

This bill was signed into public law as an emergency measure by Governor Mills on March 12, 2020.

## **LD 2021, “An Act to Provide Funding for Broadband Internet Infrastructure in Unserved and Underserved Areas”**

LD 2021 “An Act To Provide Funding for Broadband Internet Infrastructure in Unserved and Underserved Areas” appropriates \$15,000,000.00 from the General Fund to the ConnectME Authority for the provision of broadband Internet infrastructure in unserved and underserved areas.

Unfortunately, less households in Maine have internet than those in any other state in New England. High-speed, reliable internet is vital to Maine’s economy contributing to more educational and business opportunities and the betterment of our communities as a whole. The key to achieving this is more funding and public investment is a necessity.

Significant changes for the better have been made such as pole attachments, rule-making and legislation that all reflect that Maine has been working to reduce regulatory burdens in order to expand service. More planning with communities and municipal utility districts have been done but the demand is far more than what is available right now.

The OPA has a history of broad support for the expansion of broadband in the State of Maine in all areas but especially in the more rural areas of the State. The OPA receives a fair amount of calls from people seeking to get connected and to get better service. The OPA testified in support of LD 2021.

This bill was voted ought to pass as amended on March 3, 2020 and carried over on March 17, 2020.

## **LD 1853, “An Act to Prohibit Door-to-door Marketing of Retail Energy Supply**

LD 1853, “An Act to Prohibit Door-to-door Marketing of Retail Energy Supply,” was proposed by the OPA and addressed the unfair and deceptive acts of third-party sales agents employed by competitive energy providers. Third-party sales agents are not registered with or directly subject to penalties by the Public Utilities Commission (PUC) under current law.

The bill, as amended, continues to allow marketing to prospective customers at the door, but requires third-party sales agents to follow the law or be subject to penalties of up to \$500,000.00. Third-party sales agents will be required to register with the PUC, comply with provisions of the Maine Unfair Trade Practices Act, comply with federal and state laws and rules on door-to-door practices, and provide disclosures to the prospective customer, including information on how to find the current standard offer service rate and contact the OPA. The third-party sales agent must obtain the customer’s signature on the disclosure form. The bill prohibits a third-party sales agent from representing that it is affiliated with or an alternative to the transmission or distribution utility. The bill also subjects any third-party sales agent violating the law or PUC regulation or order to penalties, including termination of registration and fines of up to \$500,000.00.

This bill was voted ought to pass as amended on Thursday, March 12, 2020 and carried over on March 17, 2020.

## **LD 1881 “An Act Regarding Utility-related Fees (Amendment Title – “An Act Regarding Public Utility Assessments, Fees and Penalties”**

LD 1881 “An Act Regarding Utility-related Fees’ would require the PUC and the OPA when calculating assessments charged to public utilities to apportion the assessment within each category of public utility, that is, transmission and distribution, gas, telephone and water, between investor-owned utilities and consumer-owned utilities based on an accounting of the portion of the commission's resources and the OPA's resources, respectively, devoted to matters related to investor-owned utilities and the portion devoted to matters related to consumer-owned utilities.

LD 1881 requires the PUC in its annual report, to report on any filing fees or penalties collected from public utilities in the previous year that have not been adjusted in the previous 5 years and to provide draft legislation to adjust the dollar

value of filing fees and penalties based on the actuarially compounded Consumer Price Index for each fee and penalty since the last adjustment.

It also requires the PUC and the OPA to report annually, beginning in 2021, on the portion of resources devoted to matters related to investor-owned utilities and the portion of resources devoted to matters related to consumer-owned utilities and on commission and OPA expenses, respectively, per dollar of intrastate gross operating revenue for investor-owned utilities and consumer-owned utilities.

It further amends the law governing filing fees for reorganizations of utilities to authorize the commission to order a filing fee of up to .05% of the estimated total value of the reorganization and to require the commission to order payment of a filing fee equal to .05% of the estimated total value of the reorganization if a reorganization would result in the transfer of ownership and control of a public utility or the parent company of a public utility. Under current law the commission may charge a filing fee of up to \$50,000.00 to an applicant seeking approval for a reorganization.

Lastly LD 1881 will require the PUC to submit legislation to the First Regular Session of the 130th Legislature to adjust all fees and penalties paid by public utilities based on the actuarially compounded Consumer Price Index for each fee or penalty since enactment.

The OPA did not before differentiating between resources spent for investor-owned water utilities and consumer-owned water utilities and have taken steps to track them separately.

This bill was voted ought to pass as amended on March 3, 2020 and carried over on March 17, 2020.

## **OTHER**

During this past session the EUT tasked the OPA with convening a stakeholder group to explore and consider issues related to establishing a single statewide franchise. The committee requested that the OPA invite certain relevant parties including the Public Utilities Commission, ConnectMaine Authority, Maine Municipal Association, the Telecommunications Association of Maine (TAM), the Community Television Association of Maine (CTAM), and cable service providers, including but not limited to: Comcast, Charter Communications (Spectrum) and Consolidated Communications to participate.

The OPA must be prepared to provide an update on the work of the group to the EUT in January 2021.

## SUPPORT FOR UTILITY CUSTOMERS

### **Assisting Litigants**

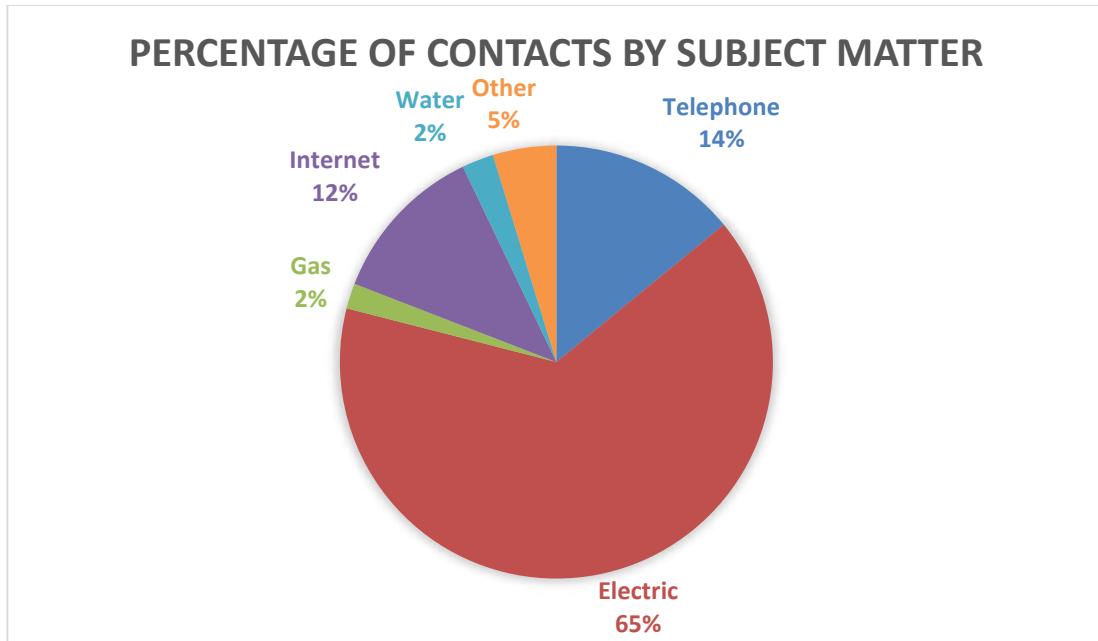
Cases before the Maine Public Utilities Commission (PUC) are often a daunting prospect for concerned citizens wanting to express their opinions in a particular case. We assisted ten groups of individuals as they explored the possibility of filing a 10-person complaint against a utility. Of these, five proceeded with the complaint and filed with the Public Utilities Commission. Four complaints alleged unreasonable or insufficient service by Central Maine Power and one complaint focused on management issues with a local water utility. Assisting individuals with these complaints is an ongoing process as there are frequently questions about case process and format. We continued to assist individuals from the prior year with their ongoing cases against Central Maine Power Company and Consolidated Communications. Additionally, the Consumer Advisor serves as a resource for individuals participating before the Commission in cases beyond the 10-person complaint process. These individuals receive guidance on case process and templates and step-by-step direction on how to file within the online docketing system.

### **Responding to Customer Concerns**

In the past year, the Consumer Advisor received and addressed consumer calls, emails and in-person questions. These calls often require multiple follow-ups with the utility and the consumer before the issue is completely resolved.

In addition to consumer complaints that come in to the office directly, the Office of the Public Advocate participated in a public hearing in Brooksville assisting individuals express their concerns regarding phone and internet service available with Consolidated Communications. The OPA also participated in public witness hearings held throughout the last year in a number of cases including the Central Maine Power metering and billing cases, the Northern Utilities rate case, and the Emera-ENMAX merger. The OPA serves an important role at public witness hearings and assists individuals by educating them on the process, answering questions about the case and providing written materials.





## Consumer Education

We continue to serve as a dynamic resource for customers interested in competitive electricity providers by updating the rate offerings on a monthly basis. The OPA publishes a bi-weekly newsletter to update individuals, Legislators, and other State agencies on our case activity. The publication is emailed out twice each month. The Consumer Advisor continues to develop case specific guides for individuals seeking information on participating at the Public Utilities Commission.

## ECONOMIC ANALYST

In November of 2019 the OPA hired an economic analyst to expand internal analytical capabilities, support ongoing research efforts, and to supplement and/or offset consultant expenses. The position will be involved in preparing financial and economic analyses on regulated firms, industries, and related programs to determine and recommend fair and reasonable rates, adequate financial policies, and programmatic improvements. This step marks the first time in many years that the office has had full-time, in-house resources dedicated to these important functions.

Historically, the OPA has relied on professional consultants for financial and economic analyses in regulatory proceedings. The use of external consultants has a cost, however, which limits how often this type of technical support can be utilized. Indeed, in the current environment of constrained budgets the OPA has not used consultants as extensively as we have in the past. At the same time, the range of cases the office is involved in remains as high as ever. This fact combined with the lack of dedicated in-house financial staff can inhibit the OPA's ability to respond effectively in a variety of cases. The addition of an analyst effectively gives the office access to an internal consultant and will enable the office to respond more effectively in state, regional, and federal proceedings. Finally, the position provides the OPA with a resource to assist it in responding to legislative inquiries and in connection with our participation in stakeholder groups created by the Legislature.



The OPA's economic analyst has thus far worked on a range of issues including analyzing the cost of capital and revenue requirements of public utilities, analyzing risks related to merger transactions such as the Enmax – Emera (Versant) transaction, and analyzing legislative proposals.

## RATEPAYER SAVINGS

Ratepayer savings from July 1, 2019 to June 30, 2020 attributable to the efforts of the Office of the Public Advocate:

### **New England Clean Energy Connect (NECEC)**

By July 1, 2019 the Commission approved a stipulation wherein Central Maine Power Agreed to provide the following benefits to Maine ratepayers:

Creation of a Low-Income Customer Benefit Fund .....	<b>\$50,000,000.00</b>
Establishment of Rate Relief Fund to provide for rate relief for retail electric customers.....	<b>\$140,000,000.00</b>
Rate Credit for RNS and LNS Transmission customers .....	<b>\$1,005,000.00</b>

### **2019-00097**

*Request for Approval of Reorganization with ENMAX pertaining to Emera Maine, Maine Electric Power Company, and Chester SVC Partnership*

By Order dated March 19, 2020, the Commission approved a stipulation wherein ENMAX and Emera Maine agreed to provide the following benefits to Maine ratepayers:

Distribution Rate Stayout.....	<b>\$19,600,000.00</b>
Customer Service Quality and Reliability Payments .....	<b>\$9,000,000.00</b>
Transmission Rate Relief related to loss of HWC as customer .....	<b>\$530,000.00</b>
General Rate Relief Fund.....	<b>\$8,100,000.00</b>
Low Income Rate Relief Fund .....	<b>\$5,000,000.00</b>

**2019-00134**

*Request for Approval of Annual Cost of Gas (2019-2020) Reconciliation Adjustment Pertaining to Maine Natural Gas Corporation*

Maine Natural Gas’s claim for Atlantic Bridge parent guarantee costs was reduced by \$88,058.00 (from \$117,838.00 to \$29,780.00) ..... **\$88,058.00**

**2019-00154**

*Request for Approval of Cost of Gas Filings Pertaining to Summit Natural Gas of Maine, Inc.*

Summit Natural Gas of Maine, Inc.’s attempt to collect \$172,308.00 for company use gas was rejected. .... **\$172,308.00**

**2019-00092**

*Request for Approval of Rate Change – 307 (4/1/20) Pertaining to Northern Utilities, Inc., D/B/A Unitil*

Northern Utilities, Inc, sought a \$7,033,013 increase in revenues, was reduced to \$3,605,412, therefore resulting in a savings of \$3,427,601..... **\$3,427.601.00**

**2018-00194/2019-00015**

*Commission Initiated Investigation into Rates and Revenue Requirements Pertaining to Central Maine Power Company*

*Commission Initiated Investigation of Metering and Billing Issues Pertaining to Central Maine Power Company*

In these two dockets, the Commission held that the cost of the CMP audit, which was \$580,000.00, will be paid by CMP shareholders, not ratepayers. The audit led to findings of management imprudence. Under 35-A M.R.S. sec 113 (3), audit costs supporting findings of imprudence are borne by shareholders. .... **\$580,000.00**

**2020-00065**

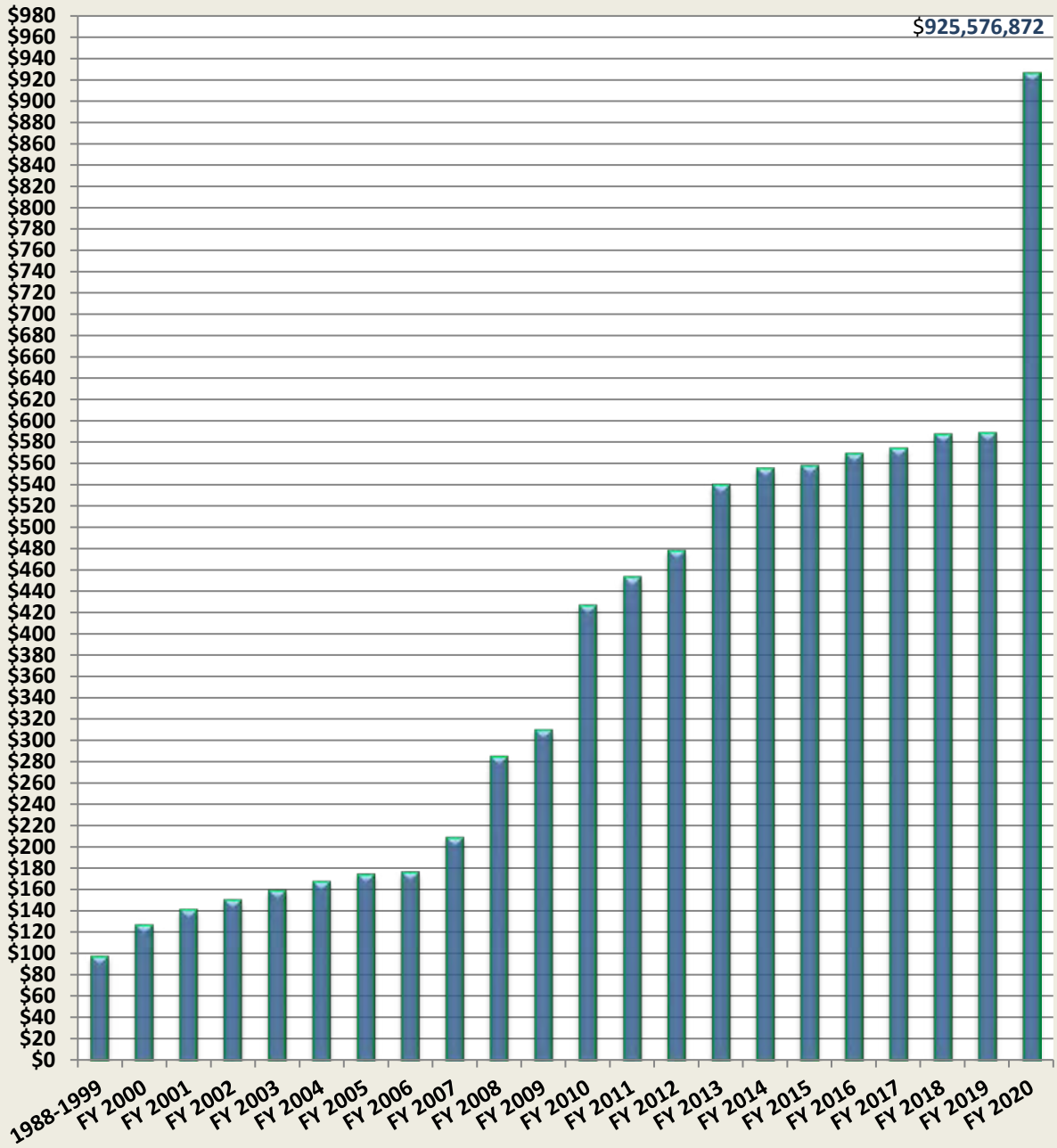
*Central Maine Power Annual Compliance Filing*

The Commission ruled in OPAs favor, finding that the \$330,000 cost of maintaining CMPs legacy billing system must be paid by shareholders. The OPA argued on behalf of ratepayers and the Commission held that the costs were related to the ultimate findings of imprudence, which under 35-A M.R.S. sec 113 (3), are borne by shareholders. .... **\$330,000.00**

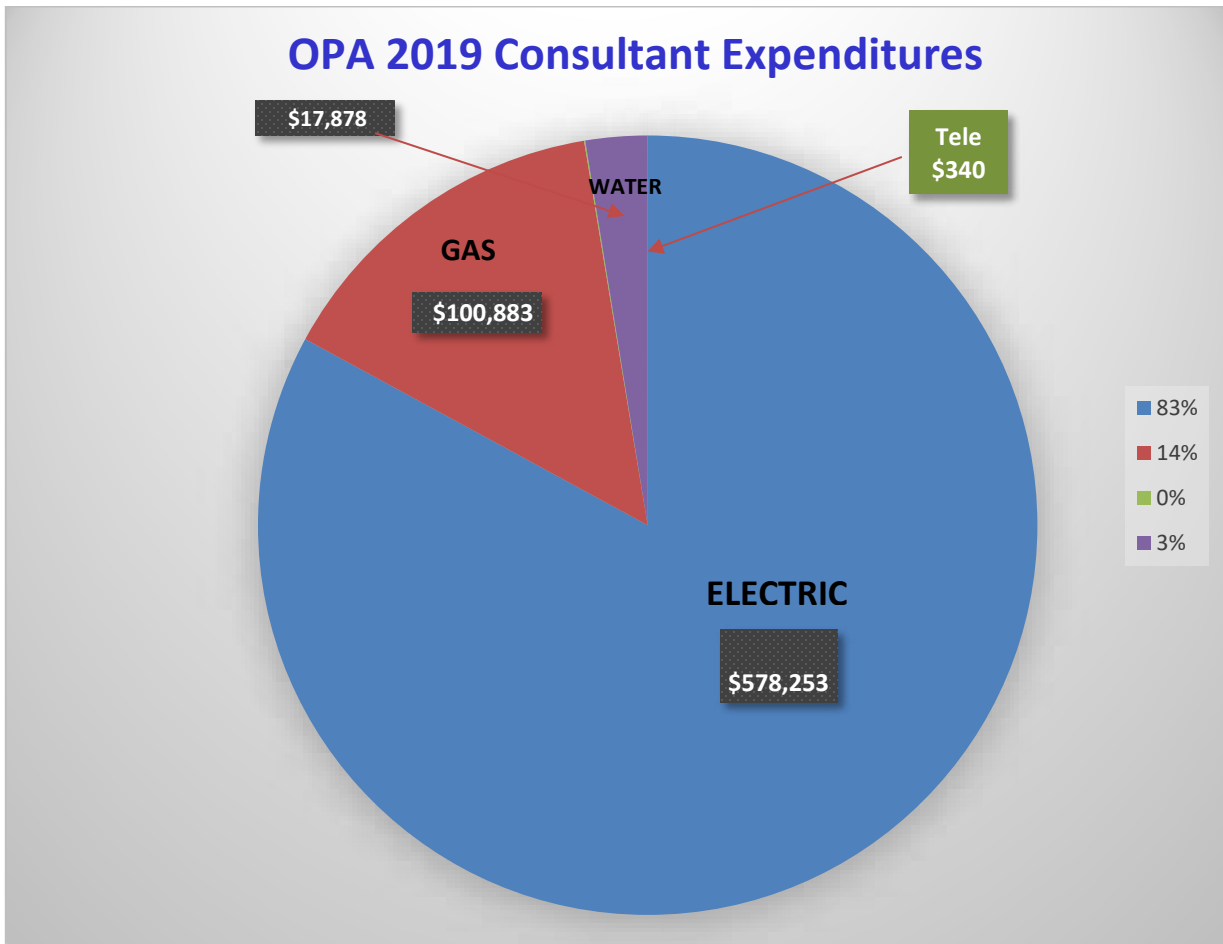
**TOTAL SAVINGS FY 2019 – 2020: \$337,727,967.00**

# CUMULATIVE RATEPAYER SAVINGS COMPARISON

## Cummulative Savings in Rates 1988 to 2020



CONSULTANT EXPENDITURES  
ANALYSIS BASED ON CALENDAR YEAR 2019



**PUBLIC ADVOCATE  
STAFF'S HOURLY TIME ANALYSIS  
BASED ON CY 2019**

