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Chairman Lawrence, Chairman Berry and Members of the Energy, Utilities and Technology Committee,

My name is Barry Hobbins and I am the Public Advocate with the Office of the Public Advocate and I am here today to testify neither for nor against LD 1191 “Resolve, To Study the Feasibility of Time-of-use Rates.”

As a general matter, the PUC is already directed by statute to consider time of use rates. See 35-A MRSA Sec. 3153-A(B). They have done so from time to time in connection with rate design proposals considered in litigated proceedings. The Office of the Public Advocate is supportive of the PUC continuing to review time of use rates and believe a feasibility study is a good idea.

However, the OPA cautions that any change in rate design will have winners and losers. If rates are lowered for one group of customers to better reflect their usage characteristics, the rates of other customers must go up. This can result in significant customer resistance to such changes. Changes in rate design, therefore, must be approached very cautiously. Separately, there may be administrative issues with getting too creative or aggressive. First, because of restructuring, energy and delivery are provided by different companies. It is not clear that energy suppliers are willing to price on a time of use basis. Even if they are, their time period cost variations may be different for energy service versus delivery service, which complicates the rate design and resulting price signals. Further, the ability to implement time of use rates may be limited by individual utility billing system capabilities.

With that said, the December 1, 2021 report back date is too soon for such a complicated issue. If the committee is amenable to the proposal of delaying that date to a date in the Spring of 2022, that would be the recommendation of the OPA. We do not feel this study should be dictated by the timing of the Second Regular Session.

Thank you for your time, attention and consideration of this testimony. The Office of the Public Advocate looks forward to working with the Committee on LD 1191, and will be present at the work session to assist the Committee in its consideration of this bill.

Respectfully submitted,



Barry J. Hobbins
Public Advocate