

Electric Ratepayer Advisory Council

Meeting: September 8, 2025 at 2:00 PM

<u>Location</u>: Maine Housing, 26 Edison Drive, Augusta (Teams option)

<u>Council Members</u>: Jessica Fay, Victoria Forkus, Linda Ball, Lisa Henaghen, Amy Turner, Shawn Lovely, Sharon Klein, Eloise Vitelli, David Zachow, Heather Sanborn, Ian Burnes, Erik Jorgensen, Kiera Reardon (Dan Burgess), Deirdre Schneider (Phil Bartlett). Absent: Andrea Steward.

<u>Other Attendees</u>: Kris Winther (OPA), Derek Davidson (PUC), Leona Michelson (CMP), Kathy Largay (Versant), Barbara Alexander (AARP), Peter Fitzgerald, Sylvia Most (OPA)

Introduction

Heather Sanborn welcomed everyone, both present in the room and on Teams. Each member of the Council introduced themselves

Board Orientation – 2nd Electric Ratepayer Advisory Council

Heather reviewed the statutory charge of the Council, with Eloise providing background on the origins of the law. Heather presented basic expectations including attendance, participation, and providing feedback on reports. The following meeting schedule was discussed and approved.

Date (all meetings Mondays @2pm)	Location Plan
10/20/25	Teams only
11/17/25	In person with Teams option
12/8/25	Teams only
1/26/26	In person with Teams option
3/9/26	In person with Teams option
4/13/26	Teams only
5/11/26	In person with Teams option
6/8/26	Teams only

<u>Discussion on Ongoing Progress on ERAC Priorities</u>

Retail Electricity Supply Study – Sylvia reported that after passage of necessary legislation this spring, the OPA petitioned the PUC to open the necessary docket (No. 2025-000191). Both CMP and Versant submitted data in late August and OPA consultant Tim Howington has begun evaluating the data. We anticipate first discussion of findings at the October meeting.

LIAP funding for 2025-26 — Derek gave a summary of the status of the rulemaking (PUC Docket No. 2025-00241), a copy of which was provided to attendees. There was also an update on the DHHS data sharing process which is expected to be fully implemented over the course of the coming year. There was discussion on the changing criteria for other assistance programs and their impact on LIAP enrollment. Erik reported an expectation that LiHEAP will be funded in the Federal budget, at an essentially flat level.

Review 2024 ERAC Recommendations

Heather presented each of the recommendations to the Legislature from the 2024 report (appended below), including a status update on each. The recommendations were grouped according to topic. Heather noted that those items with clear owners and deliverables were in progress or accomplished. Those that were more general or not specifically delegated were often the ones that have not yet been implemented. There was significant discussion on recommendation #20 regarding the winter disconnection moratorium. Lisa reported that 63% of customers that had a past due balance at the start of the winter disconnection moratorium did not make a payment all winter. Linda indicated that 19,000 CMP customers didn't make payments all winter.

Establish 2025 Priorities

The Council engaged in a brainstorming exercise to set priorities and new direction. Each person present was asked to spend three minutes reflecting on the prior discussion and recording their ideas. Each person present was then asked to report their ideas as well as provide them in writing to Sylvia. Here is a summary of individual ideas:

- Ian focused on the Council mandate to fund programs that don't shift costs to ratepayers. He noted that among the issues they face after installing whole home heat pumps is that the process of shifting LiHEAP benefits to electricity is not straightforward and can interfere with LIAP. Coordination of benefits is a concern.
- Erik reflected on the fact that most low-income households rely on non-utility heating sources so put their LiHEAP benefits to oil and pay those bills before electricity since it can't be shut off in the winter. We need to better understand arrearages in electricity compared to other states.
- David suggested that we need more working people's voices on this committee or as part of the process. The 2 PM meeting time is a barrier as is the fact that most of the Council members are Professional people and are there as part of their job and are being paid to attend these meetings. If the Council wants to represent the interests of working-class people who are struggling with high energy costs, then the Council membership should change/expand along with the meeting time to enable working class people to participate. They should also be paid for their time and insight
- Linda was supportive of the concept of focus groups, and also confidential surveys of LIAP recipients. With electricity, customers essentially have a 90-day float that they can exercise as they make choices with their available resources. A thoughtful balance of protections vs. motivations could help ratepayers avoid large overdue balances. Linda is concerned that Year 1 of the new LIAP program will be challenging for many as they no longer will have the lump sum payment to help reduce arrearages after the winter disconnection moratorium.
- Lisa felt that there were definitely opportunities in education and outreach to help ratepayers, as well as in rate design and revisiting the winter moratorium arrangements. Lisa also indicated that there is significant customer fatigue with frequent rate changes.
- Sharon also focused on education and outreach opportunities as well as on further study on the reasons for high electric bills among low-income ratepayers.
- Amy would like to see the council discuss improvements to disconnection procedures. Amy also reflected that ERAC had previously steered clear of political topics, but perhaps that should change going forward.
- Shawn was supportive of focus groups, especially including industry to gather ideas and agreed the education piece was key.
- Jess reiterated her support of the education recommendations and also suggested that finding additional partners beyond those envisioned in the original makeup of the council could be helpful. Jess indicates that there is also opportunity in more resources toward weatherization given Maine's older housing stock.

- Kiera discussed the importance of rates and rate design as we attempt to continue to incentivize the switch to heat pumps. Kiera pointed out that as electricity rates rise, the costbenefit analysis for making the change becomes problematic.
- Eloise supported more creative thinking on education and outreach and a focus on rates. She would like the Council to identify sources of data that can be brought together to identify trends over time in relevant topics such as LIAP enrollment, LiHEAP benefits, etc.
- Heather added that community choice aggregation as an alternative to CEPs could be
 investigated as a means of providing savings without additional ratepayer expense.
 Additionally, Heather would like to investigate community solar subscriptions, and what
 means are available to alleviate the cash flow concerns associated with seasonal variations in
 billing.

Public Comments

- Barb noted that the LiHEAP amount varies by need and goes to the primary heating bill which should be electric if there is a whole-home heat pump. Barb also indicated that AARP has significant data to share and experience bringing people together to discuss these issues.
- Peter brought up the Energy Navigator program as well as town or city council resilience committees. He participates on one in his town.

Closing

Heather asked Council members to help with identifying candidates for the three open seats on the Council (Statewide Affordable Housing Advocate, Small Business Owner, Tribal Representative). Council members (and members of the public) were reminded to provide their written ideas to Sylvia after the meeting.

Next Meeting – October 20 @ 2pm via Teams

Meeting Adjourned at 3:37pm.

In its December, 2024 Annual Report, the Council submitted the following 20 recommendations for consideration by the Legislature and policy makers.

Further Investigate the Retail Electricity Supply Market

- 1. Support legislation to allow the OPA, subject to Public Utilities Commission (PUC) approval, access to CEP data held by utilities to fully investigate the extent to which low-income households are being overcharged by CEPs. Completed.
- 2. Use the data referenced above to enable ERAC to expand its investigation of the ongoing CEP residential overcharging (\$135M over eight years) to more precisely calculate how much of it is paid by low-income consumers. In progress.

Expand Low-Income Assistance Program (LIAP)

- 3. Increase LIAP funding from ratepayers and/or taxpayers to help close the affordability gap so that, on average, consumers are not spending more than 4% of household income on electricity. See LIAP Rulemaking.
- 4. Increase taxpayer funding by dedicating the existing state sales tax on electricity to LIAP funding. Bill on Appropriations Table, not tied to sales tax.

Improve Administration of LIAP

- 5. Make LIAP enrollment automatic for Department of Health and Human Services (DHHS) clients with household incomes that qualify for LIAP with an opt-out provision. In progress.
- 6. Until automatic enrollment is implemented, continue the current DHHS- expedited LIAP enrollment program which provides an enrollment letter to qualifying households. Sending 9/30/2025.
- 7. Convert LIAP benefits to a uniform monthly percentage discount applied to current bills, rather than two lump sum bill credits per year. Set these LIAP discount percentages for each of the four Federal Poverty Level (FPL) tiers to achieve an average 4% affordability target in each tier, thereby providing higher benefits for lower income ratepayers. See LIAP Rulemaking.
- 8. Implement an annual true-up, or rate adjustment, with each utility to ensure that they are fully reimbursed for all LIAP benefits and program costs, to be sure that each LIAP participant receives the maximum calculated benefit, regardless of initial budget estimates. See LIAP Rulemaking.
- 9. Until LIAP is converted to a uniform discount program, reconsider the LIAP benefit amounts when the standard offer rate changes on January 1 during each program year.
- 10. Until LIAP is converted to a uniform discount program, consider changes to the current program to minimize the likelihood that the current LIAP bill credits are so large they cannot be used by individual ratepayers in the year in which they were awarded.

Increase consumer education and outreach

- 11. Ensure all LIAP and Arrearage Management Program (AMP) participants have a clear understanding of the energy efficiency programs available to them.
- 12. Increase understanding and education regarding common reasons for high electric bills.
- 13. Encourage LIAP participants with arrearages to participate in AMP.
- 14. Increase consumer awareness of safety issues and potentially significant financial burden of using space heaters for winter heating.
- 15. Promote EMT as a source of information and programs for managing high energy costs.

Other Recommendations

- 16. Make reasonable accommodation in the implementation of these recommendations for the consumer-owned utilities (COUs) that have limited resources and for investor-owned utilities (IOUs) whose billing systems may take time to implement. See LIAP Rulemaking.
- 17. Support new programs such as Solar for All (SFA) and continued heat pump deployment that provide substantial savings opportunities for all lower income ratepayers.
- 18. Fund housing programs that improve building conditions, to enable low-income homes to afford structural repairs needed to qualify for government funding of weatherization upgrades.
- 19. Consider the rising need and cost of summer air conditioning when considering low-income ratepayer benefits.
- 20. Consider the impact on low-income ratepayers of large arrearages built up during the winter disconnection moratorium.