

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

Janet T. Mills GOVERNOR

Barry J. Hobbins PUBLIC ADVOCATE

June 11, 2019

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

The Office of the Public Advocate, with the support of the other stakeholders, respectfully submits this status report on the Arrearage Management Program (AMP).¹ We are providing this report to update the Committee on the status of the program and also to advise the Committee that, because of circumstances described in this report, in the next Legislative session, we will be requesting an additional one-year extension of the program.

What is arrearage management?

In general, arrearage management programs forgive a portion of a customer's amount in arrears in exchange for the customer making a specified number of on-time payments of their current bill.

The Maine program works as follows:

- An eligible low-income customer falls behind by specified amount and/or period of time (e.g. \$500, 90 days).
- 2) Should the customer elect to participate in the program, the amount in arrears is set aside.
- 3) For each month the customer makes a payment under the program, 1/12th of their amount in arrears is forgiven up to \$300. If the customer remains on the program for a full year, the full amount is forgiven.

¹ The AMP, An Act to Assist Electric Utility Ratepayers (35-A M.R.S. §3214 et seq.), was enacted in April 2014, as P.L. 2013, ch. 556 amended by P.L 2017 ch.414.

The goal of arrearage management programs is to create a positive relationship between the customer and the utility and encourage on-time payment behavior, during the program and after.

History of AMP

The Legislation that created the AMP was intended to help low-income customers who have fallen behind in their electric bill payments. More importantly the program was intended to utilize energy efficiency programs to assist these customers in reducing their usage.

The authorizing Legislation provided for a period of three years for implementation and assessment of the program with a report to the Committee at the end of the third year. In the second session of the 128th Legislature, our Office and the other stakeholders strongly supported extending the program for an additional three years with a provision for further review at the end of that time.

In addition to extending the program by three years, the stakeholders and Legislature agreed that enhanced program supports were needed to improve the success rate of the AMP program participants. These improvements included additional programs by Efficiency Maine Trust (EMT) that offer greater opportunities for electric energy savings than were originally offered under the initial AMP. Through the first three years of AMP, EMT used limited intervention to assist AMP participants in lowering their electricity consumption offering: (a) educational information (energy savings tips, referrals to energy efficiency programs); (b) six LED lightbulbs; and (c) in certain cases, low-flow devices to be used in faucets and/or showers. The Trust is now offering a more extensive suite of energy savings programs for AMP participants so that the potential for energy savings is substantially greater and can meaningfully contribute to lowering bills.

Other tools can also be used to help control usage. There is nothing to prevent utilities using any and all tools that they have developed to help individuals actively control their usage.

Community Action Program (CAP) Agencies also offered to provide financial counseling and budgeting assistance to participants.

Current Need for Extension of Reporting Deadline

The stakeholders of AMP all agree that an additional one-year extension will be necessary to fulfill the program enhancements promised to the Legislature in 2018. This is because a number of factors have delayed the implementation of the enhanced program supports, putting us about a year behind schedule. For example, Central Maine Power Company (CMP) experienced a number of billing issues some of which specifically impacted AMP customers. CMP failed to transmit data to EMT which prevented individuals from receiving any support for implementing energy efficiency programs. It also took longer than anticipated for the CAP agencies to develop their financial and budgeting support system and sign an MOU with both Emera and CMP to cover the CAP program related expenses. Given these unforeseen delays, we will be requesting one additional year to allow for a full three years to collect data under the envisioned program would allow additional 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.

Gathering three full years of data would provide a clear comparison to the initial three years and allow the stakeholders to develop more informed recommendations.

AMP Stakeholder Process

The stakeholder process for AMP is very involved and very successful. The stakeholders include Central Maine Power, Emera Maine, the Office of the Public Advocate, the Community Action Program agencies, Maine Equal Justice, and Efficiency Maine Trust. The Public Utilities Commission staff facilitates the stakeholder process and actively participates in the decision making and problem solving. Stakeholders who participated in the implementation of the program continue to have frequent meetings to assess its progress and to suggest changes and adjustments for improvement. The request for a one-year extension is supported by all stakeholders.

	CENTRAL MAINE POWER COMPANY
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	MAINE EQUAL JUSTICE PARTNERS
Dated: June, 2019	By: Print Name:
	OFFICE OF THE PUBLIC ADVOCATE
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