

Philip L. Bartlett II

Patrick J. Scully Carolyn C. Gilbert STATE OF MAINE PUBLIC UTILITIES COMMISSION

> Amy Dumeny ADMINISTRATIVE DIRECTOR

## CASD Bulletin 2024-03

To: All Electric and Gas Utilities; Interested Persons

Date: September 19, 2024

Re: Revised Ch. 815; New Requirement Relating to Prohibition of the Assessment of Reconnection Fees for Low-Income Customers

The purpose of this bulletin is to provide guidance to all electric and gas utilities regarding subsection 12(B)(1)(a) of Chapter 815 of the Commission's rules. On August 22, 2024, the revised Chapter 815 became effective. *Maine Public Utilities Commission, Amendments to Consumer Protection Standards for Electric and Gas Transmission and Distribution Utilities (Chapter 815),* Docket No. 2023-00323, Order Amending Rule and Statement of Factual and Policy Basis (Aug. 13, 2024). Among other things, the revised rule prohibits the assessment of a reconnection fee and a deposit for low-income customers seeking reconnection after a disconnection for non-payment. The Commission implemented this change through amendments to subsections 7(C)(2) (no deposit) and 12(B)(1)(b) (no reconnection fee).

Since the adoption of the revised rule, the Commission has become aware of a drafting oversight that failed to expressly prohibit certain low-income customers from being assessed a reconnection fee. The revised rule does not specifically prohibit a utility from assessing a reconnection fee for low-income customers who are not on a payment arrangement at the time of disconnection. Through the amendments described above, and in accordance with LD 1962 described below, the Commission intended to prohibit the assessment of reconnection fees for *any and all* low-income customers seeking reconnection after a disconnection for non-payment. Unfortunately, the amendments added the express prohibition to low-income customers participating in a payment arrangement and did not address low-income customers not participating in a payment arrangement.

Nevertheless, the amendments were meant to be an all-inclusive prohibition against the assessment of a reconnection fee to low-income customers, regardless of whether they are on a payment arrangement. The Commission adopted these specific changes in response to LD 1962, which the 131<sup>st</sup> legislature enacted this past legislative session. LD 1962 directed the Commission through a rulemaking to, *inter alia*, adopt rules governing transmission and distribution utility and gas utility disconnections due to unpaid bills for utility service that, for low-income customers seeking reconnection, prohibit the utility from:

- Charging a restoration or reconnection fee or requiring a security deposit for a restoration of service; and
- Charging late fees that accrued prior to the termination or disconnection.

From: Derek D. Davidson, Director Deut Consumer Assistance and Safety Division

The Commission will soon be initiating a rulemaking to amend Chapter 870 of the Commission's rules to prohibit the assessment of late payment fees by electric and gas utilities to low-income customers. The Commission also plans to open a limited rulemaking to further amend Chapter 815, perhaps as early as Winter 2024, to clarify the reconnection fee issue identified in this bulletin, as well as to address any other potential unforeseen issues with the revised Chapter 815. In the meantime, the Commission expects utilities to refrain from assessing a reconnection fee to any low-income customer seeking reconnection of service after a disconnection due to non-payment, regardless of whether the customer was on a payment arrangement at the time of disconnection. The Commission appreciates the anticipated cooperation of the utilities.

If you have questions regarding this bulletin or any other aspect of the recent Chapter 815 rulemaking, please feel free to contact me at: <u>derek.d.davidson@maine.gov</u>, or at (207) 287-1596.

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