

MAINE STATE LEGISLATURE

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126th MAINE LEGISLATURE

SECOND REGULAR SESSION-2014

Legislative Document

No. 1825

S.P. 731

In Senate, March 18, 2014

An Act To Assist Electric Utility Ratepayers

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Reference to the Committee on Energy, Utilities and Technology suggested and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator CLEVELAND of Androscoggin.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 35-A MRSA §3214, sub-§2-A** is enacted to read:

3 **2-A. Arrearage management program.** A transmission and distribution utility
4 shall implement pursuant to this subsection an arrearage management program to assist
5 eligible low-income residential customers who are in arrears on their electricity bills. An
6 arrearage management program implemented pursuant to this subsection is a plan under
7 which a transmission and distribution utility works with an eligible low-income
8 residential customer to establish an affordable payment plan and provide credit to that
9 customer toward the customer's accumulated arrears as long as that customer remains in
10 compliance with the terms of the program. The commission shall establish the terms and
11 conditions of the arrearage management programs by rule. Rules adopted pursuant to this
12 subsection are routine technical rules pursuant to Title 5, chapter 375, subchapter 2-A.

13 In adopting rules regarding arrearage management programs, the commission shall:

14 A. Consider best practices as developed and implemented in other states or regions;

15 B. Include measures to assist program participants in reducing their electricity
16 consumption, including an electricity usage assessment at no cost to the participant;

17 C. Require transmission and distribution utilities to work with the Efficiency Maine
18 Trust to establish a complementary energy efficiency program for participants in
19 arrearage management programs to help reduce participants' electricity consumption;
20 and

21 D. Ensure that a transmission and distribution utility recovers in rates all costs of
22 arrearage management programs, including incremental costs, reconnection fees and
23 administrative and marketing costs but not including the amount of any arrearage
24 forgiven that is treated as bad debt for purposes of cost recovery by the transmission
25 and distribution utility.

26 No later than February 28, 2018, the commission shall prepare a report assessing the
27 effectiveness of arrearage management programs under this subsection, including the
28 number of participants enrolled in the programs, the number of participants completing
29 the programs, the number of participants who have failed to complete the programs, the
30 dollar amount of arrears forgiven, a comparison of outcomes for those participating in the
31 programs and those not participating, the impact on a transmission and distribution
32 utility's bad debt as a result of the programs, the costs and benefits to all ratepayers
33 associated with the programs and recommendations for ways in which the programs
34 might be improved or continued for the benefit of all ratepayers. In preparing its report,
35 the commission shall hold at least one formal stakeholder meeting involving affected
36 parties, including the Office of the Public Advocate and the participating transmission
37 and distribution utilities. Parties must also be provided an opportunity to submit written
38 comments to the commission regarding the performance of the programs.

39 This subsection is repealed September 30, 2018.

1

SUMMARY

2 This bill requires transmission and distribution utilities to implement arrearage
3 management programs to assist eligible low-income residential customers who are in
4 arrears on their electricity bills. The Public Utilities Commission must develop the
5 program through rulemaking. The program must include measures to help participants
6 reduce their energy consumption, including a free electricity usage assessment and the
7 requirement that transmission and distribution utilities work with the Efficiency Maine
8 Trust to provide complementary energy efficiency programs for program participants.
9 The bill requires that a transmission and distribution utility recover in rates all costs of the
10 program except those arrearages that are forgiven and written off as bad debt.