

MAINE STATE LEGISLATURE

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132nd MAINE LEGISLATURE

FIRST SPECIAL SESSION-2025

Legislative Document

No. 1949

S.P. 756

In Senate, May 7, 2025

An Act Regarding Energy Fairness

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", is positioned above the printed name of the Secretary of the Senate.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator CARNEY of Cumberland.
Cosponsored by Representative SATO of Gorham and
Senators: GROHOSKI of Hancock, MOORE of Washington, NANGLE of Cumberland,
TIPPING of Penobscot, Representatives: MOONEN of Portland, SACHS of Freeport, WEBB
of Durham.

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

PART A

Sec. A-1. 35-A MRSA §704, sub-§1, as amended by PL 1999, c. 398, Pt. A, §18 and affected by §§104 and 105, is further amended to read:

1. Residential customers. The commission shall adopt and promulgate reasonable rules after a hearing concerning the termination or disconnection of any residential customer's service by a transmission and distribution, gas, water or telephone utility of the State. These rules apply generally to all such utilities within the commission's jurisdiction and must provide for adequate written notice by that utility to the residential customer that the customer's utility bill has not been paid, and a notice of the prospective termination or disconnection and the right, prior to disconnection, to enter into reasonable installment payment arrangements with that utility; to settle any dispute concerning the proposed disconnection at an informal hearing with that utility and to appeal the results of that utility's decision to the commission. The rules must also provide that there may be no termination or disconnection during a limited medical emergency and for a just and reasonable procedure regarding reconnections of utility service and deposit requirements; and:

A. Provide for adequate written notice by a public utility to a residential customer that the customer's utility bill has not been paid, a notice of the prospective termination or disconnection of utility service and the right of the customer, prior to termination or disconnection, to:

(1) Enter into reasonable installment payment arrangements with that utility;

(2) Settle any dispute concerning the proposed termination or disconnection at an informal hearing with that utility; and

(3) Appeal the results of that utility's decision to the commission;

B. Except as provided in paragraph C, prohibit a public utility from terminating or disconnecting a residential customer's utility service for nonpayment if the customer is enrolled in, has begun the process to enroll in or has been denied enrollment in an assistance program administered by the commission or a state agency and the customer attests to the utility that:

(1) The customer or a member of the customer's household:

(a) Is 65 years of age or older;

(b) Is a dependent adult as defined in Title 22, section 3472, subsection 6;

(c) Is an incapacitated adult as defined in Title 22, section 3472, subsection 10; or

(d) Has been certified by a medical professional or government authority within the last 12 months as having a medical condition or disability; or

(2) A member of the customer's household has not attained 12 months of age;

C. Establish a process by which a public utility may proceed with a disconnection of a residential customer's service that would otherwise be prohibited under paragraph B

1 in exceptional circumstances after the utility has complied with all applicable
2 requirements of this subsection and related rules;

3 D. Require a public utility to issue monthly notices to customers who have unpaid
4 amounts for utility services during any period in which the utility is prohibited from
5 disconnecting the customer's utility service in accordance with paragraph B, including
6 the amount owed and a statement describing how the customer may apply for financial
7 assistance; and

8 E. Prohibit a public utility from requiring recertification under paragraph B,
9 subparagraph (1), division (c) for a customer more than once per 12-month period.

10 Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5,
11 chapter 375, subchapter 2-A.

12 **Sec. A-2. 35-A MRSA §3203, sub-§4-B, ¶A-1** is enacted to read:

13 A-1. May not enter into an agreement to provide service to or renew a contract for
14 generation service for a residential consumer that, in the 12-month period prior to
15 entering into the agreement or renewing a contract, has received low-income assistance
16 in accordance with section 3214, subsection 2 or 3, unless the commission finds that
17 the residential consumer would receive a lower rate by enrolling in or renewing the
18 contract when compared to the standard-offer service available to that consumer at the
19 time of the enrollment or renewal and issues a waiver to the competitive electricity
20 provider;

21 **Sec. A-3. 35-A MRSA §3203, sub-§4-B,** as amended by PL 2023, c. 636, §1, is
22 further amended by amending the first blocked paragraph to read:

23 If a residential consumer does not provide the express consent required by paragraphs C,
24 C-1 and D, the residential consumer must be transferred to standard-offer service. If a
25 competitive electricity provider does not receive a waiver from the commission to renew a
26 contract for generation service for a residential consumer in accordance with paragraph
27 A-1, the residential consumer must be transferred to standard-offer service. The
28 commission shall adopt rules to establish a process for the issuance of a waiver under this
29 subsection.

30 **PART B**

31 **Sec. B-1. 35-A MRSA §302, sub-§1-A, ¶A-1** is enacted to read:

32 A-1. "Compensation" means benefits, a salary or bonus or any other consideration of
33 value.

34 **Sec. B-2. 35-A MRSA §302, sub-§2,** as amended by PL 2023, c. 596, §§1 and 2,
35 is further amended to read:

36 **2. Limitations on rates.** The following expenses, whether paid directly or indirectly,
37 through reimbursement or otherwise, incurred by a public utility or an affiliated interest
38 may not be included or incorporated in operating expenses to be recovered in rates:

39 A. Contributions or gifts to political candidates, political parties, political or legislative
40 committees or any committee or organization working to influence referendum
41 petitions or elections. Nothing in this paragraph prohibits a consumer-owned water
42 utility, a consumer-owned transmission and distribution utility or the Casco Bay Island

Transit District, created by Private and Special Law 1981, chapter 22, from undertaking expenditures related to notifying the public of or conducting trustee elections or local referendum elections directly related to or legally required for the operation of a consumer-owned water utility, consumer-owned transmission and distribution utility or the Casco Bay Island Transit District;

A-1. Fines and penalties, including, but not limited to, penalties assessed by the commission and tax penalties or fines;

B. Contributions to a trade association, chamber of commerce or public charity, including, but not limited to, a charity managed by the public utility or affiliated interest. This paragraph does not apply to a consumer-owned water utility;

C. Expenditures for lobbying or grassroots lobbying, including, but not limited to, compensation for an employee of a public utility or an employee of an affiliated interest if any portion of that compensation is used by the employee for lobbying or paid by that employee to a federal, state or local government official in an effort to influence any official decisions of or legislative decisions by the governmental official. This paragraph does not apply to a consumer-owned water utility, a consumer-owned transmission and distribution utility or the Casco Bay Island Transit District, created by Private and Special Law 1981, chapter 22; ~~and~~

D. Educational expenditures, as defined by the commission by rule under section 302-A, unless approved by the commission as serving a public interest. Educational expenditures include expenditures relating to information delivered to the public or to public utility customers by radio, television, the Internet, print and other media or through sponsorships, paid endorsements and public relations campaigns. This paragraph does not apply to a consumer-owned transmission and distribution utility or a consumer-owned water utility-;

E. Costs associated with travel, lodging and food for officers and members of a public utility's or affiliated interest's board of directors;

F. Expenditures for investor relations as specified by the commission by rule. This paragraph does not apply to a consumer-owned water utility, a consumer-owned transmission and distribution utility or the Casco Bay Island Transit District, created by Private and Special Law 1981, chapter 22; and

G. Monthly costs associated with the attendance at, participation in or preparation for appeal of any contested rate case proceeding conducted before the commission that exceed the average monthly costs incurred by the Office of the Public Advocate in the same proceeding, if the Office of the Public Advocate participated in the proceeding. For the purposes of this paragraph, costs include, but are not limited to, attorney's fees, fees for expert witnesses or consultants, the portion of public utility or affiliated interest employee salaries associated with such attendance at, participation in, preparation for or appeal of a contested proceeding and any other related costs specified by the commission by rule. This paragraph does not apply to a consumer-owned water utility, a consumer-owned transmission and distribution utility or the Casco Bay Island Transit District, created by Private and Special Law 1981, chapter 22.

Sec. B-3. 35-A MRSA §302, sub-§6 is enacted to read:

6. Violations; penalties. A public utility or affiliated interest that violates this section is subject to an administrative penalty in accordance with section 1508-A, except that the amount of the administrative penalty may not be less than the amount of the expense that the public utility or affiliated interest wrongfully included or incorporated in operating expenses to be recovered in rates. Notwithstanding any provision of section 117, subsection 3 to the contrary, the commission may direct the public utility or affiliated interest to use a portion of the administrative penalties owed to the commission for violations of this section for the payment of a rebate to the public utility's customers. If a public utility or affiliated interest wrongfully includes or incorporates in operating expenses to be recovered in rates an expense prohibited by this section, in addition to an administrative penalty described in this subsection, the commission shall order the public utility or affiliated interest to issue a refund to the public utility's or affiliated interest's customers, including interest.

PART C

Sec. C-1. 35-A MRSA §301, sub-§1-B is enacted to read:

1-B. Customer hardship reporting. The commission shall adopt rules to require public utilities with over 50,000 customers to file a quarterly docket with the commission containing data as required by this subsection from the previous quarter applicable to residential and nonresidential customers. The commission's rules must establish filing requirements for public utilities with 50,000 or fewer customers that take into consideration the public utility's size and resources. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A. The rules must require that the filing data include:

A. The average amount of time between a disconnection of service due to nonpayment and a reconnection;

B. The number of disconnections of service due to nonpayment when the customer has previously been disconnected for nonpayment;

C. The number of customers that have enrolled in a payment plan that have previously enrolled in a payment plan;

D. The number of customers in debt to the utility disaggregated by at least 3 periods of time spent in debt; and

E. Any other information as established by the commission by rule.

The data required by this subsection must be disaggregated by assistance program enrollment status and data related to disconnections of service must be disaggregated by zip code and environmental justice population status as defined in section 103-B, subsection 1, paragraph B.

The commission rules must require public utilities with more than 50,000 customers to publish an annual summary report of the data required by this subsection on the utility's publicly accessible website in a format determined by the Office of the Public Advocate. The Office of the Public Advocate shall develop a format for the annual summary report and provide the format to the commission.

Sec. C-2. 35-A MRS §301-A is enacted to read:

§301-A. Administrative charge limitation

1 **1. "Administrative charge" defined.** "Administrative charge" means a fee or charge
2 for services that is added to the actual cost of materials or supplies or labor performed by
3 or on behalf of a public utility with over 50,000 customers and charged to a public utility
4 customer through a proposal, estimate, invoice or final accounting for the cost of
5 interconnection, line extensions or work other than charges for the customer's regular
6 electricity service. "Administrative charge" includes, but is not limited to, an
7 administrative service charge, an indirect overhead cost and a cost adder. "Administrative
8 charge" does not include:

9 A. Expenses for a public utility employee's labor while directly engaged in the work
10 for which a customer is billed; or

11 B. Expenses related to the purchase, storage or delivery of materials or supplies
12 incorporated into the work if the customer bill states that those expenses are included
13 in the cost of materials or supplies.

14 **2. Administrative charge proceedings.** By December 31, 2025 and at least every 5
15 years thereafter, the commission, within existing resources, shall conduct one or more
16 proceedings to investigate administrative charges demanded or collected by a public utility
17 with over 50,000 customers during the preceding 5-year period to ensure that such
18 administrative charges meet the requirements of section 301 and other applicable
19 provisions of this Title.

20 **3. Administrative charge disclosure.** The commission shall require a public utility
21 with over 50,000 customers to disclose any administrative charges included in a customer
22 bill. If any line item in a customer bill includes an administrative charge, the customer bill
23 must specifically identify the administrative charge and include a description of the charge.

24 **4. Violations.** If the commission finds that a public utility with over 50,000 customers
25 has violated any provision of this section or improperly assessed an administrative charge,
26 the commission may order the public utility to refund the administrative charge paid by the
27 customer.

28 **5. Report.** By July 1, 2026 and every 5 years thereafter, the commission shall submit
29 to the Governor and the joint standing committee of the Legislature having jurisdiction
30 over utility matters a report summarizing the proceedings conducted by the commission
31 during the prior calendar year.

32 **6. Rules.** The commission shall adopt rules to implement this section. Rules adopted
33 by the commission pursuant to this subsection are routine technical rules as defined in Title
34 5, chapter 375, subchapter 2-A.

35 **Sec. C-3. 35-A MRSA §3107, sub-§2,** as enacted by PL 2019, c. 88, §1 and
36 reallocated by RR 2019, c. 1, Pt. A, §49, is amended to read:

37 **2. Consumer assistance.** Require a customer bill issued by an investor-owned
38 transmission and distribution utility to display clearly and prominently the toll-free
39 telephone number for the commission's consumer assistance and safety division and a
40 statement of the consumer assistance services available by calling the division; and

41 **Sec. C-4. 35-A MRSA §3107, sub-§3,** as enacted by PL 2019, c. 88, §1 and
42 reallocated by RR 2019, c. 1, Pt. A, §49, is amended to read:

3. Correction of misleading information. Establish a process by which, if the commission finds that an investor-owned transmission and distribution utility has included on customer bills, or inserts or attachments to customer bills, information that is misleading, deceptive or inaccurate, the transmission and distribution utility is required to provide to customers a statement that corrects the misleading, deceptive or inaccurate information that was disseminated. Upon request of the Public Advocate, the commission shall investigate the truth and accuracy of information included on customer bills, or inserts or attachments to customer bills; and

Sec. C-5. 35-A MRS §3107, sub-§4 is enacted to read:

4. Public policy charges. Require a customer bill issued by an investor-owned transmission and distribution utility to include an accurate and comprehensive description of the costs and benefits of the components of public policy charges if such charges are included on a customer's bill, including, but not limited to, energy efficiency programs, renewable energy programs and low-income energy assistance programs.

Sec. C-6. Summary report; format. The Office of the Public Advocate shall develop a format to be used by public utilities with more than 50,000 customers when creating annual summary reports as required by the Maine Revised Statutes, Title 35-A, section 301, subsection 1-B and provide the format to the Public Utilities Commission.

Sec. C-7. Quarterly docket filing; required data. The Public Utilities Commission shall adopt rules in accordance with the Maine Revised Statutes, Title 35-A, section 301, subsection 1-B, paragraph D to require a public utility to include in its quarterly docket filing the data required by Public Utilities Commission rule Chapter 815: Consumer Protection Standards for Gas Utilities and Electric Transmission and Distribution Utilities, Section 15.

PART D

Sec. D-1. 26 MRSA §1304, sub-§1-A, ¶A, as enacted by PL 2021, c. 705, §2, is amended to read:

A. With a nameplate capacity of ~~2 megawatts~~ one megawatt or more that involves a renewable energy project or a project for the production of energy, including all phases of site preparation, construction, retrofitting and demolition work; and

Sec. D-2. 26 MRSA §1304, sub-§1-A, as enacted by PL 2021, c. 705, §2, is amended by amending the first blocked paragraph to read:

"Assisted project" does not include a project for which the Public Utilities Commission approved a term sheet or contract or otherwise provided project-specific authorization or approval pursuant to Title 35-A on or before June 29, 2021 ~~or~~. "Assisted project" includes a project that is participating in net energy billing and that meets the requirements of under Title 35-A, section 3209-A or 3209-B in accordance with a good cause exemption issued on or after June 29, 2025 by the Public Utilities Commission pursuant to Title 35-A, section 3209-A, subsection 7 or Title 35-A, section 3209-B or 9.

Sec. D-3. 26 MRSA §3501, sub-§4, as enacted by PL 2019, c. 347, §1, is amended to read:

1 **4. Generation facility.** "Generation facility" means a facility for the generation of
2 electricity that has an installed capacity of ~~2 megawatts~~ one megawatt or more, ~~other than~~
3 ~~a facility located on the customer side of an electric meter.~~

4 **Sec. D-4. 26 MRSA §3502, sub-§1**, as enacted by PL 2019, c. 347, §1, is amended
5 to read:

6 **1. Percentages.** A construction employer shall, to the extent qualified apprentices are
7 determined to be available in accordance with rules adopted by the department, ~~employ a~~
8 ~~number of apprentices that equals at least:~~ ensure that the following standards are met for
9 the construction, alteration or repair of a generation facility, whether that work is performed
10 by a contractor or subcontractor.

11 A. If construction of the generation facility begins on or after January 1, 2021 and
12 before January 1, 2025, the construction employer shall ensure that at least 10% of all
13 persons employed in the construction; of the generation facility are qualified
14 apprentices.

15 B. If construction of the generation facility begins on or after January 1, 2025 and
16 before January 1, 2027, ~~47.5%~~ the construction employer shall ensure that at least 15%
17 of all persons employed in the construction; and the total labor hours for the
18 construction, alteration or repair of the generation facility are performed by qualified
19 apprentices.

20 C. If construction of the generation facility begins on or after January 1, 2027, the
21 construction employer shall ensure that at least 25% of all persons employed in the
22 construction the total labor hours for the construction, alteration or repair of the
23 generation facility are performed by qualified apprentices.

24 **Sec. D-5. 35-A MRSA §103-B** is enacted to read:

25 **§103-B. Environmental justice requirements**

26 **1. Definitions.** As used in this section, unless the context otherwise indicates, the
27 following terms have the following meanings.

28 A. "Environmental justice" means the fair treatment and meaningful involvement of all
29 persons regardless of race, color, national origin, ability, gender identity, sexual
30 orientation, ethnicity or ancestry, religious belief, English language proficiency or
31 income with respect to the development, implementation and enforcement of
32 environmental laws, rules, regulations and policies.

33 B. "Environmental justice population" means any census block group in which:

34 (1) The annual median household income is not more than 80% of the State's
35 annual median household income;

36 (2) Persons of color or indigenous persons comprise 7% or more of the population,
37 but the annual median household income does not exceed 150% of the State's
38 annual median household income; or

39 (3) More than 1% of households are categorized as having limited English
40 proficiency.

41 For a census block group that does not meet the criteria in subparagraphs (1) to (3), but
42 a geographic portion of that census block group meets at least one criterion, the

commission may designate by rule that geographic portion as an environmental justice population upon the petition of at least 10 residents of that geographic portion meeting any such criteria.

C. "Environmental justice principles" means principles that support protection from environmental pollution and the ability to live in and enjoy a clean and healthy environment, regardless of race, color, national origin, class, ability, gender identity, sexual orientation, ethnicity or ancestry, religious belief, English language proficiency or income, which include:

(1) The meaningful involvement of environmental justice populations with respect to the development, implementation and enforcement of environmental laws, rules, regulations and policies; and

(2) The equitable distribution of energy, health, economic and environmental benefits and energy, health, economic and environmental burdens.

2. Commission responsibility. In executing its duties, powers and regulatory functions under this Title, the commission, while ensuring system reliability and resource adequacy, shall consider and incorporate environmental justice principles.

3. Community engagement plan. On or before April 1, 2026 and within existing resources, the commission shall establish a community engagement plan.

4. Rules. The commission may adopt rules to implement this section. Rules adopted by the commission pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

Sec. D-6. Public Utilities Commission proceeding; cost management proceeding. By December 31, 2025, the Public Utilities Commission shall initiate a proceeding to examine and evaluate opt-in program designs pursuant to the Maine Revised Statutes, Title 35-A, section 3209-E, subsection 2, paragraph A. By February 2, 2026, the commission shall provide a report to the Joint Standing Committee on Energy, Utilities and Technology regarding the results of the proceeding and the commission's recommendations. The committee may report out a bill to the Second Regular Session of the 132nd Legislature related to the commission's report.

Sec. D-7. Department of Labor rules; assisted projects; consistency with federal law. By December 1, 2025, the Department of Labor shall initiate rulemaking to amend its rules applicable to assisted projects as defined in the Maine Revised Statutes, Title 26, section 1304, subsection 1-A and generation facilities as defined in Title 26, section 3501, subsection 4 for consistency with the changes provided in this Part. The department shall also review its rules related to assisted projects, and initiate rulemaking to adopt changes if necessary, to ensure that those rules are substantially consistent with the federal Inflation Reduction Act of 2022 and rules adopted under that Act.

SUMMARY

Part A of the bill requires the Public Utilities Commission to adopt rules prohibiting the disconnection of utility services of a residential customer for nonpayment if the residential customer is enrolled in, has begun the process to enroll in or has been denied enrollment in an assistance program administered by the Public Utilities Commission or another state agency and the customer attests to the utility that the customer or a member

1 of the customer's household is 65 years of age or older, is incapacitated or dependent or has
2 been certified within the last 12 months as having a medical condition or disability by a
3 medical professional or government authority. It also prohibits disconnections if a member
4 of the customer's household has not attained 12 months of age. The commission is required
5 to adopt a process by which a public utility may petition the commission to proceed with a
6 disconnection of a residential customer's service that would otherwise be prohibited. Part
7 A also prohibits a competitive electricity provider from entering into an agreement to
8 provide service to or renew a contract for generation service for a residential consumer that,
9 in the 12-month period prior to entering into the agreement or renewing a contract, has
10 received low-income assistance unless the commission finds that the consumer would
11 receive a lower rate by enrolling in or renewing the contract when compared to the
12 standard-offer service available to that consumer.

13 Part B prohibits certain expenses from being included in a public utility's rates,
14 including fines and penalties, costs associated with travel, lodging and food for officers and
15 members of a public utility's or affiliated interest's board of directors, expenditures for
16 investor relations and certain costs associated with the attendance at, participation in,
17 preparation for or appeal of any contested rate case proceeding conducted before the
18 commission. If a public utility includes any prohibited expenses in rates, it is subject to
19 administrative penalties and the commission may direct the utility to use a portion of the
20 administrative penalties owed for the payment of a rebate to the public utility's customers.
21 In addition to an administrative penalty, the commission is required to order the public
22 utility to issue a refund to the public utility's customers, including interest.

23 Part C requires the commission to adopt rules to require public utilities with over
24 50,000 customers to file a quarterly docket with the commission containing data from the
25 previous quarter applicable to residential and nonresidential customers. The rules must
26 require that the filing data include information regarding customer overdue accounts,
27 disconnections, reconnections, deposits and payment plans. Part C also requires the
28 commission, within existing resources, to conduct a proceeding at least once every 5 years
29 to review administrative charges collected by a public utility with over 50,000 customers
30 during the preceding 5-year period to ensure that such administrative charges are in
31 compliance with applicable law. Part C also requires that if an investor-owned transmission
32 and distribution utility includes on a customer's bill a public policy charge, the utility must
33 include an accurate and comprehensive description of the costs and benefits of the
34 components of public policy charges, including, but not limited to, energy efficiency
35 programs, renewable energy programs and low-income energy assistance programs.

36 Part D amends the definition of "assisted project" in the Maine Revised Statutes, Title
37 26, section 1304, subsection 1-A to lower the size threshold of a project to which the
38 definition applies. It requires that certain percentages of total labor hours of the
39 construction, alteration or repair of a generation facility are performed by qualified
40 apprentices. Part D also requires the Public Utilities Commission, in executing its duties,
41 powers and regulatory functions under Title 35-A, while ensuring system reliability and
42 resource adequacy, to consider and incorporate environmental justice principles. It requires
43 the commission, on or before April 1, 2026 and within existing resources, to establish a
44 community engagement plan.