

MAINE STATE LEGISLATURE

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Date: 4/13/2018 Majority

(Filing No. S-467)

ENERGY, UTILITIES AND TECHNOLOGY

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STATE OF MAINE

SENATE

128TH LEGISLATURE

SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to S.P. 628, L.D. 1729, Bill, "An Act Regarding Compensation by Large Transmission and Distribution Utilities"

Amend the bill by striking out the title and substituting the following:

'An Act To Restore Confidence in Utility Billing Systems'

Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:

Sec. 1. 35-A MRSA §113, sub-§3, as enacted by PL 1987, c. 141, Pt. A, §6, is amended to read:

3. Costs. The full cost of the management audit shall must be recovered from ratepayers, except that if the audit of an investor-owned public utility contributes to a commission finding of imprudence that results in a cost disallowance, the commission shall determine how to fairly allocate the cost of the management audit to ratepayers and the shareholders of the investor-owned public utility. In ordering an audit, the commission shall consider the impact of the cost of the audit upon the ratepayers and other alternatives that are available.

Sec. 2. 35-A MRSA §3104-A is enacted to read:

§3104-A. Metering and billing system accuracy

A transmission and distribution utility shall conduct testing of its metering and billing systems in accordance with rules adopted by the commission.

1. System accuracy; rulemaking. The commission shall amend or adopt rules governing the testing of the metering and billing systems of transmission and distribution utilities to ensure accuracy regarding the measurement of the usage of electricity and the determination of customer bills. Rules adopted by the commission must include but are not limited to requirements for the following:

A. The frequency of testing of the metering and billing systems;

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1 B. The method by which the transmission and distribution utility shall conduct
2 testing of its metering and billing system; and

3 C. The statistical analysis to be used as part of the testing procedures.

4 The commission may adopt alternative testing procedures based on different metering or
5 billing system technologies, such as for analog meters and digital meters.

6 2. Metering and billing system audits. In adopting rules pursuant to this section,
7 the commission shall consider and may require periodic, independent audits of the
8 metering and billing systems and the commission may determine that such audits are
9 applicable to only residential and small commercial customers of an investor-owned
10 transmission and distribution utility. If the commission requires periodic, independent
11 audits of the metering and billing systems of an investor-owned transmission and
12 distribution utility, the rules must contain at a minimum the following provisions:

13 A. The method by which the commission will choose an independent auditor;

14 B. The allocation of costs of a periodic metering and billing systems audit; and

15 C. The statistical analysis to be used in an audit.

16 Rules adopted pursuant to this section are major substantive rules as defined in Title
17 5, chapter 375, subchapter 2-A.

18 **Sec. 3. Report.** The Public Utilities Commission shall submit a report to the joint
19 standing committee of the Legislature having jurisdiction over energy and utilities
20 matters by February 1, 2019 that addresses the following issues:

21 1. Whether investor-owned transmission and distribution utilities are doing enough
22 to protect and strengthen their systems, especially with what appears to be an increase in
23 high-intensity storm events;

24 2. Whether it is in the ratepayers' interest to require investor-owned transmission and
25 distribution utilities to do more to strengthen and protect their systems against damage in
26 order to prevent and decrease the number and duration of power outages; and

27 3. With respect to utility operations, what can be done to improve public safety
28 during storm events and what lessons have been learned from recent outages due to storm
29 events.

30 In addressing subsection 3, the commission shall consult with the Department of
31 Defense, Veterans and Emergency Management, Maine Emergency Management Agency
32 and review what other states are doing to improve emergency planning and preparedness.

33 The joint standing committee of the Legislature having jurisdiction over energy and
34 utilities matters may report out a bill to the First Regular Session of the 129th Legislature
35 relating to the matters addressed by the report.

36 **Sec. 4. Audit determinations.** In making determinations regarding metering and
37 billing systems audits in accordance with the Maine Revised Statutes, Title 35-A, section
38 3104-A, subsection 2, the Public Utilities Commission shall consider information learned
39 from the audit of Central Maine Power Company's customer billing system initiated in
40 Public Utilities Commission, Docket No. 2018-00052.



128th MAINE LEGISLATURE

LD 1729

LR 2706(02)

An Act Regarding Compensation by Large Transmission and Distribution Utilities

Fiscal Note for Bill as Amended by Committee Amendment "A" (S-467)
Committee: Energy, Utilities and Technology
Fiscal Note Required: Yes

Fiscal Note

Minor cost increase - Other Special Revenue Funds

Fiscal Detail and Notes

Any additional costs to the Public Utilities Commission as a result of changes to the rules regarding the cost allocation of an audit of an investor-owned utility, the testing of a transmission and distribution utility's metering and billing systems and the frequency of independent audits of an investor-owned transmission and distribution utility's testing and billing systems are anticipated to be minor and can be absorbed within existing budgeted resources.