

MAINE STATE LEGISLATURE

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ROS

L.D. 2010

Date: 4/13/22

(Filing No. S-549)

TAXATION

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STATE OF MAINE

SENATE

130TH LEGISLATURE

SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to S.P. 723, L.D. 2010, "An Act To Help Maine Residents with High Electricity Costs"

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

'Resolve, To Help Certain Businesses with Electricity Costs'

Amend the bill by striking out everything after the title and inserting the following:

'Sec. 1. Definitions. Resolved: That, as used in this resolve, unless the context otherwise indicates, the following terms have the following meanings.

1. "Commission" means the Public Utilities Commission.

2. "Covered utility" means an investor-owned transmission and distribution utility as defined in the Maine Revised Statutes, Title 35-A, section 3104, subsection 1.

3. "Eligible customer" means an entity that during February of 2022 was a medium commercial customer of a covered utility taking standard-offer service.

4. "Fund" means the Energy Rate Relief Fund established in section 6.

5. "Medium commercial customer" means a nonresidential customer of a covered utility that takes service under a core customer class electric delivery rate schedule of the covered utility:

A. That includes a demand charge; and

B. In which the customer's maximum demand may not exceed 500 kilowatts or the kilowatt break-point stated in the covered utility's applicable electric delivery rate schedule that is closest to, but does not exceed, 500 kilowatts.

6. "Standard-offer service" means the service provided according to the Maine Revised Statutes, Title 35-A, section 3212.

Sec. 2. Identification of eligible customers. Resolved: That, by September 1, 2022, each covered utility shall identify which of its customers are eligible customers and report to the commission the number of eligible customers in each relief payment category

specified in section 5, subsections 1 to 3 and the amount of the total payments the covered utility will be required to make to eligible customers under section 5.

Sec. 3. Energy rate relief payments. Resolved: That, by September 15, 2022, the commission shall verify the amounts reported by each covered utility under section 2 and certify the total amount for each covered utility to the Treasurer of State and to the State Controller. By September 30, 2022, the State Controller shall transfer the total amount certified by the commission from the unappropriated surplus of the General Fund to the fund. Within 15 days after the State Controller has transferred the total amount to the fund, the Treasurer of State shall pay from the fund to each covered utility the amount attributable to that utility. The covered utility shall deposit funds received into a separate account to be used only for the purposes of this section and not for other purposes.

Sec. 4. Energy rate relief payments by covered utilities. Resolved: That, by October 30, 2022, each covered utility shall credit to the account of each eligible customer the amount of relief payment to which the eligible customer is entitled under section 5 unless the eligible customer is no longer a customer of the utility. By November 15, 2022, the covered utility shall report to the commission the total amount of relief payments applied to eligible customer accounts and the total number of eligible customers who received an account credit in each credit payment category described under section 5. When a covered utility credits the relief payment to the customer's bill, the utility may deduct that amount from the separate account set aside for purposes of this section under section 3 and treat that amount as if it were a payment by the customer. Any funds that a covered utility does not credit to an eligible customer under this section by June 1, 2023 must be returned to the Treasurer of State, who, by December 31, 2023, shall deposit the funds in the General Fund unappropriated surplus.

Sec. 5. Energy rate relief payment amount. Resolved: That an eligible customer is eligible for the following energy rate relief payment based on the number of kilowatt-hours billed by the covered utility to the customer on the February 2022 invoice:

1. If the eligible customer used at least 1,000 but no more than 49,999 kilowatt-hours, the energy relief payment is \$1,500;

2. If the eligible customer used at least 50,000 but no more than 100,000 kilowatt-hours, the energy relief payment is \$2,000; and

3. If the eligible customer used more than 100,000 kilowatt-hours, the energy relief payment is \$3,000.

Sec. 6. Energy Rate Relief Fund. Resolved: That the Energy Rate Relief Fund is established for purposes of facilitating energy rate relief payments under this section. The fund consists of all resources transferred to the fund by the State Controller under section 3. The fund must be used to provide energy rate relief payments to covered utilities under this section. Any amounts remaining in the fund on June 30, 2023 must be transferred by the State Controller to the General Fund unappropriated surplus.

Sec. 7. Review. Resolved: That, by June 30, 2023, the commission shall undertake a review of each covered utility to ensure that the energy rate relief payment under section 3 has been credited to eligible customers or returned to the State in accordance with section 4. If the commission determines that any of the requirements of this section have not been complied with, the commission may issue appropriate orders to correct the noncompliance

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1 or provide a report to the joint standing committee of the Legislature having jurisdiction
2 over energy, utilities and technology matters recommending legislation to address the
3 matter.

4 **Sec. 8. Appropriations and allocations. Resolved:** That the following
5 appropriations and allocations are made.

6 **TREASURER OF STATE, OFFICE OF**

7 **Energy Rate Relief Fund N961**

8 Initiative: Provides allocation for payments to utilities for subsequent distribution of energy
9 rate relief payments to qualified customers.

10	OTHER SPECIAL REVENUE FUNDS	2021-22	2022-23
11	All Other	\$0	\$8,549,500
12			
13	OTHER SPECIAL REVENUE FUNDS TOTAL	<hr/> \$0	<hr/> \$8,549,500

14

15 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section
16 number to read consecutively.

17 **SUMMARY**

18 This amendment replaces the bill, which is a concept draft, with a resolve that
19 establishes a procedure for energy rate relief payments to medium commercial customers
20 of an investor-owned transmission and distribution utility with electricity usage in February
21 2022 of at least 1,000 kilowatt-hours. One-time payments of \$1,500, \$2,000 or \$3,000 are
22 provided depending upon the electricity usage of the eligible customer. The payments must
23 be made by October 30, 2022.

24 **FISCAL NOTE REQUIRED**

25 (See attached)

**130th MAINE LEGISLATURE****LD 2010****LR 2606(02)****An Act To Help Maine Residents with High Electricity Costs****Fiscal Note for Bill as Amended by Committee Amendment "A" (S-549)****Committee: Taxation****Fiscal Note Required: Yes**

Fiscal Note

	FY 2021-22	FY 2022-23	Projections FY 2023-24	Projections FY 2024-25
Net Cost (Savings)				
General Fund	\$0	\$8,549,500	\$0	\$0
Appropriations/Allocations				
Other Special Revenue Funds	\$0	\$8,549,500	\$0	
Transfers				
General Fund	\$0	(\$8,549,500)	\$0	\$0
Other Special Revenue Funds	\$0	\$8,549,500	\$0	\$0

Fiscal Detail and Notes

This bill includes a one-time allocation to the newly created Energy Rate Relief Fund within the Office of Treasurer of State of \$8,549,500 in fiscal year 2022-23 to make payments to utilities that the utilities will then credit to the accounts of their eligible customers by October 30, 2022. The amounts distributed are energy rate relief payments to qualified medium commercial customers of an investor-owned transmission and distribution utility who had electricity usage in February 2022 that exceeded 1000 kilowatt-hours. Amounts credited are \$1,500, \$2,000 or \$3,000 depending on level of electricity usage. Funding of the allocation is from a transfer made by the State Controller from the unappropriated surplus of the General Fund to the new fund by September 30, 2022. The amount to be transferred is to be certified by the Public Utilities Commission to the State Controller and the State Treasurer by September 15, 2022 and is estimated to be \$8,549,500. If the amount transferred turns out to be greater than the current estimate of \$8,549,500, additional allocation may be required.

Additional costs to the Public Utilities Commission, the Department of Administrative and Financial Services and the Treasurer of State associated with this legislation can be absorbed within existing budgeted resources.