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STATE OF MAINE

OFFICE OF THE
PUBLIC ADVOCATE

ANNUAL REPORT

July 1, 2020 - June 30, 2021

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Cover Photo: Stillwater Hydroelectric Project, Old Town, Maine

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Janet T. Mills
 GOVERNOR

Barry J. Hobbins
 PUBLIC ADVOCATE

August 20, 2021

Dear Governor Mills, Chairman Lawrence, Chairman Berry, and Members of the Joint Standing Committee on Energy, Utilities, and Technology (EUT),

As required by 35-A M.R.S. §1702 (6), the Office of the Public Advocate (OPA) submits this Annual Report of activities which provides an overview of the office's work in the prior year. On average, the OPA is involved in approximately 100 proceedings at the Maine Public Utilities Commission (MPUC) and several proceedings at the Federal Energy Regulatory Commission (FERC). The office continues its legislative involvement by attending all public hearings, work sessions, language reviews and testifying on legislation affecting Maine utility customers before legislative committees.

The OPA's primary responsibility is to represent the interests of Maine utility consumers. Our attorneys and staff advocate for rates, services, and practices to benefit residential customers in state and regional forums and provide information and advice to ratepayers.

This office has pursued its mission for the past 40 years, earning the respect of both customers and regulated utilities. While there are a variety of ways to measure the success of the office, the most easily understood is money saved for the utility consumers. Advocacy by the OPA up to and including Fiscal Year 2021 brings the OPA's 40-year cumulative savings to \$941,176,872. Please see page 39 of this report for its comparison chart. This past year's ratepayer savings was \$15,600,000. The OPA manages three budgetary funds: Regulatory Fund (Title 35-A MRS §116, sub-§8), Transmission Fund (Title 35-A MRS §3132, sub-§10-A), and Nonwires Alternatives Coordination Fund (NWAC) (Title 35-A MRS §116, sub-§9; PL 2019, c.298, §2). For fiscal year 2020-2021 the approved budget for each fund was: Regulatory Fund \$2,523,686, Transmission Fund \$500, and NWAC Fund \$800,000.

The OPA has continued to participate and monitor the New England Clean Energy Connect (NECEC) matter. By continuing to be involved, the OPA's participation is to ensure that it provides benefits to Maine ratepayers and that Maine ratepayers are not adversely affected by CMP's pursuit of the project.

The First Regular Session of the 130th Maine State Legislature adjourned sine die on March 30, 2021 after passage of a majority budget. The Legislature was then called into a special session to address legislation that was left from the abrupt adjournment of the previous session. The First Special Session of the 130th Maine State Legislature adjourned sine die on July 19, 2021.

The OPA appeared before the EUT Committee during the first session of the 130th Legislature and the subsequent special session that followed, offering testimony during public hearings as well as working with the Committee during work sessions and language reviews. More information can be found in the Legislative Advocacy section in this report.

The OPA participated in several stakeholder groups including the study of the continued exploration of transmission grid reliability and rate stability in Northern Maine, economic, environmental and energy benefits of energy storage to the Maine Electrical Industry and transmission solutions to enable renewable energy investment in the state. In addition, the OPA was charged with convening a stakeholder group to explore and consider issues related to establishing a single statewide franchise and presented to the EUT Committee this past session.

In 2019, the Maine legislature passed a law to implement cost effective alternatives, referred to as Nonwires Alternatives (“NWA”). NWA’s are electric utility system investments and operating practices that can defer or replace the need for specific transmission and/or distribution projects, at lower total resource cost, by reliably reducing transmission congestion or distribution system constraints at times of maximum demand in specific grid areas. More information regarding the NWA can be found in the Electricity section of this report.

The OPA has also been actively involved in the Maine Telecommunications Relay Council for many years. The Council is responsible for the oversight and management of relay services, which allow Maine residents who are deaf, hard of hearing or late deafened to obtain telecommunications services on an equal basis as hearing residents.

The OPA continues its assistance to customers regarding their utility bills and issues relating to utilities as well as provide help to navigate thru the Consumer Assistance Division established at the PUC. The OPA also works towards providing support for the development of programs that help to maximize energy savings at a low cost. The OPA has continued to provide to legislators, stakeholders, and other interested parties a bi-weekly newsletter providing an update of the recent efforts of the OPA.

In my capacity as Public Advocate I am currently serving a two-year term to serve as a Representative Member for the National Association of State Utility Consumer Advocates (NASUCA) on the Federal Communications Commission’s (FCC’s) North American Numbering Council (NANC). NANC advises and makes recommendations to the FCC on numbering policy and other technical issues.

This past year brought changes to the OPA’s office itself. Kristina Dougherty joined the OPA as Senior Counsel in January and Benjamin Frech was hired in March as Senior Assistant to the Public Advocate to replace Business Services Manager, Gayle Witham, who retired in December of 2020. These additions to the OPA staff have proved invaluable and I urge you to visit the OPA website to review the staff page. The website can be found at www.maine.gov/meopa.

The OPA would like to recognize the recently reached milestone by Efficiency Maine Trust (“EMT”). EMT was established on July 1, 2010 and is an independent, not-for-profit, quasi-state agency tasked with helping to address energy concerns for the people of Maine. For the past 10

years EMT has administered countless programs serving both the individual and business customer and has resulted in the installation of high-efficiency equipment aimed at lowering energy costs for Maine's energy consumers. The OPA would like to thank Executive Director Michael Stoddard and his dedicated and hardworking staff and congratulate them for their efforts and their successful programs.

It goes without saying how coronavirus disease of 2019 (COVID-19) has affected us all. As of March 17, 2020, and currently, the OPA's physical office location is open to staff only. The office remains available to the public by telephone during regular business hours by contacting (207) 624-3687 and after hours by leaving a voicemail. The OPA may also be contacted by emailing opa@maine.gov. We have worked closely with Bureau of Human Resources (BHR) to make sure the OPA is following state guidelines and we continue to reevaluate to see when it will be safe to lift this restriction. I would like to thank both BHR and Governor Mills along with her staff for their assistance and leadership during this unprecedented time. My sincere appreciation goes to the staff of the OPA. Between a combination of remotely working from home and minimal staff in the office during limited times they have performed over and above during this challenging time. Simply put – they have not skipped a beat and I express my gratitude to them.

The OPA consistently works to make the Maine ratepayer aware of what the office does on an on-going basis and what it can do to assist them. We are currently working on plans to increase the level of assistance we provide and look forward to implementing those plans in the coming fiscal year.

In April of 2021, I informed the Chief Executive that I would not be seeking reappointment and would be retiring at the end of my term. The Governor graciously requested that I stay on until the end of the legislative session. Effective August 20, 2021, Deputy Public Advocate Drew Landry will serve as acting Public Advocate until the new Public Advocate is nominated. I have the utmost faith in my colleagues to carry out the duties of the office.

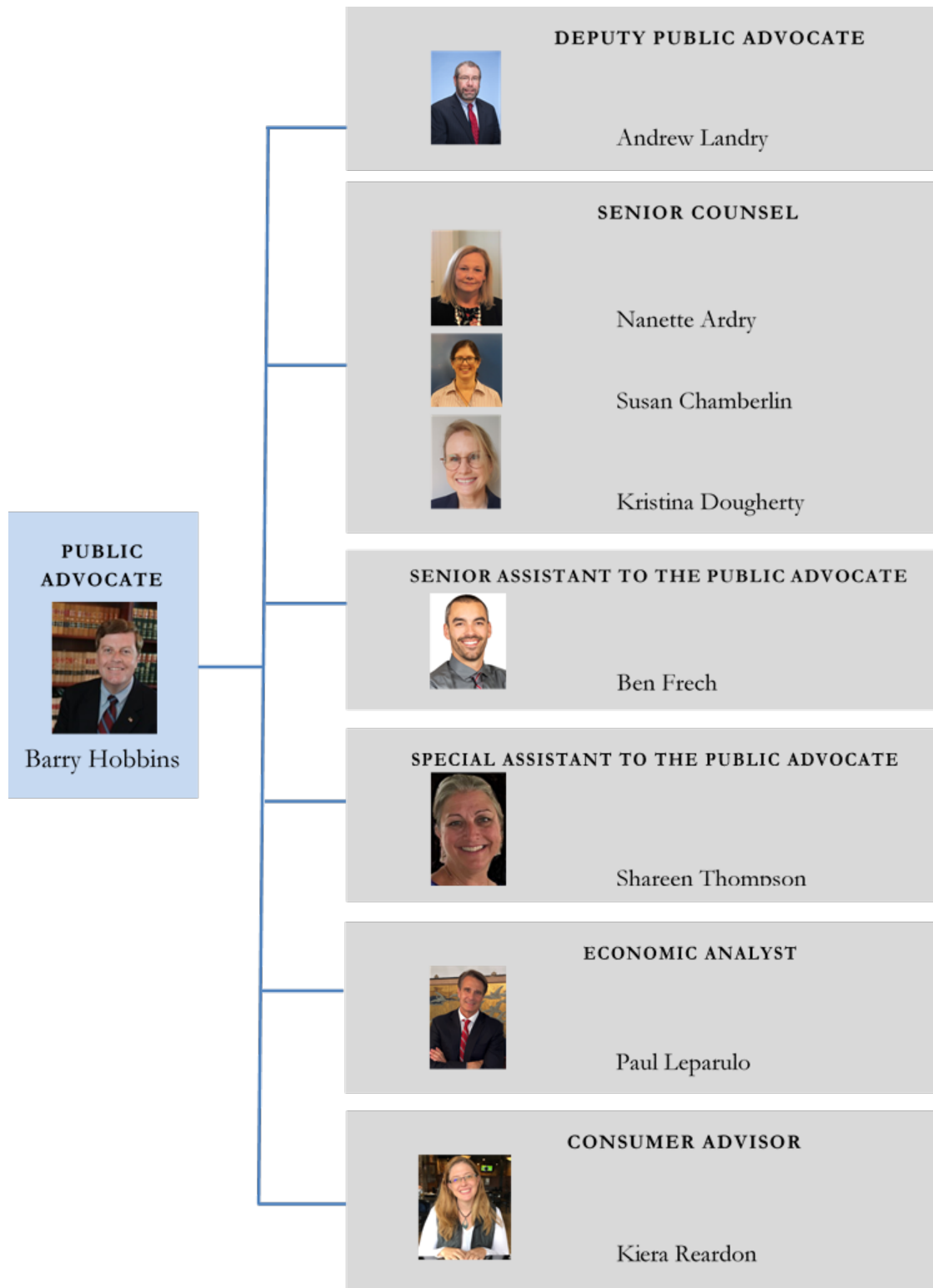
It has been the honor of my career in public service to represent the people of Maine in my time as the Public Advocate. I, along with my staff of the Office of the Public Advocate, are pleased and honored to work on behalf of Maine consumers and to represent their interests before the Maine Public Utilities Commission, the Maine Legislature, Federal and State courts, and Federal agencies; and I am confident the office and my successor will continue do so after my term with the Office of the Public Advocate has come to a close.

Sincerely,



Barry J. Hobbins
Public Advocate

OFFICE OF THE PUBLIC ADVOCATE ORGANIZATIONAL CHART



ELECTRICITY

FERC Docket No. R09-938-000, Central Maine Power Company Annual Update to Formula Rate

On June 30, 2021, CMP filed its annual update to its formula transmission rates with the Federal Energy Regulatory Commission. The filing called for an annual rate increase of \$70 million. This resulted in an increase in delivery rates of approximately 25% for its retail customers. Under federal regulation, the rates go into effect automatically, but can be challenged. Savings to customers from a successful challenge are provided to customers in a future rate update. The OPA has engaged a consultant to review the filing, has begun the legal discovery process, and will pursue appropriate challenges based upon the information that it discovers.

FERC Docket No. CP16-9-012, Algonquin Gas Transmission, LLC, Order Establishing Briefing on Rehearing

In this proceeding, the Federal Energy Regulatory Commission reopened a previously issued order granting approval to the Weymouth compressor station owned by Algonquin Gas Transmission, LLC. On April 5, 2021, the OPA filed a brief opposing the reopening of the proceeding, arguing that such a reopening would adversely affect retail electricity customers in Maine and New England by increasing the risk of a catastrophic system failure of the New England power grid similar to that experienced by Texas in early 2021, that it would contribute higher electricity prices, and that it would delay achievement of regional climate policy goals by limiting the availability of fuel to gas-fired generators that provide essential service to balance intermittent wind and solar generation. In its comments, the OPA also expressed support for the separate comments filed by the Maine Public Utilities Commission opposing the reopening due to adverse impacts on natural gas distribution customers.

Docket No. 2021-00036, Central Maine Power Company Annual Compliance Filing and Request for Approval of Annual Price Change

In this annual proceeding, CMP sought to recover approximately \$26.5 million in storm restoration costs and various other expenses. If approved, residential rates would have increased by approximately one cent per kWh, or about \$3 per month for the average residential customer. In response to this request, the OPA filed comments with the PUC recommending that recovery of a portion of the 2020 storm costs be deferred until 2022. In its Order issued on July 15, 2021, the Commission agreed to defer a portion of these storm costs, deferring the start of recovery of the largest category until 2022, and spreading recovery of the smaller category of storms over two years. This has the effect of reducing this year's distribution rate increase by over \$12 million.

Docket No. 2020-00179, Central Maine Power Company, Request for Approval to Transfer the New England Clean Energy Connect to NECEC Transmission, LLC

This proceeding involved the review of the proposed transfer of the NECEC transmission project from CMP to an affiliated company. NECEC is the proposed transmission line that will deliver 1,200 megawatts of renewable power from Canada to New England through western Maine. As a condition of approving the proposed line, the OPA argued for and the Commission approved the transfer of ownership of the project to a separate company affiliated with CMP so that CMP's customers would be insulated from any adverse impacts in the event that the project faced financial or operational problems. On October 20, 2020, the Commission approved CMP's transfer proposal, as modified to address the concerns of other parties, including those of the OPA and the Governor's Energy Office. The modifications include providing earlier payment of some of the community benefit payments that CMP and Hydro Quebec have committed to make as a condition of the line's approval, including portions of the Low Income Fund and the Rate Relief Fund, providing additional assurances for these payments, and Hydro Quebec's agreement to sell a portion of the power delivered over the line to Maine customers at favorable rates.

Docket No. 2020-00208, Request for Approval of an Accounting Order for Deferral of Incremental 2019 and 2020 Storm Restoration Costs Pertaining to Versant Power F/K/A Emera Maine

In this proceeding, Versant Power sought to recover costs related to service restoration during four storms that occurred in the Fall of 2019 and Spring of 2020. The issue in the proceeding was whether the storms were so unusual as to allow deferral for later recovery in rates under the standard developed by the Commission. The OPA argued that the costs related to two of the storms were not unusual enough to be entitled to deferral for future recovery. In its final decision issued on June 23, 2021, the Commission agreed with the OPA regarding one of the storms, a windstorm that occurred on October 17, 2021, and denied the company's request to defer \$1.8 million in related restoration costs.

Docket No. 2010-00256, Application for License to Operate as a Competitive Electricity Provider Pertaining to Electricity Maine, LLC

This investigation relates to door-to-door marketing practices of Electricity Maine, one of the largest competitive electricity providers serving residential customers in Maine. On April 15, 2020, the PUC staff issued a recommended decision to terminate Electricity Maine's license to engage in the retail electricity sales business in the state. Following the issuance of that recommendation, Electricity Maine and the OPA engaged in discussions to determine whether a settlement could be reached that would not involve the termination of Electricity Maine's license to operate.

On November 17, 2020, Electricity Maine and the OPA filed a settlement agreement in the proceeding. The agreement provided for the following sanctions against Electricity Maine:

1. Permanently prohibiting Electricity Maine engaging in door-to-door sales;
2. Allowing customers with existing contracts with Electricity Maine resulting from door-to-door solicitations to terminate those contracts early without penalty;
3. Imposing a \$500,000 administrative penalty;
4. Providing an additional \$150,000 over and above the administrative penalty to be used by the Office of the Public Advocate in consultation with the Commission staff to engage in a consumer education program regarding electricity competition; and
5. Implementing various provisions designed to ensure the company does not engage in other anticompetitive practices.

The Commission rejected this proposed settlement, following which the parties filed written exceptions in response to the PUC staff's prior recommendation. In its exceptions, the OPA argued for a \$500,000 administrative penalty and to provide an additional \$500,000 for funding to engage in consumer education regarding electricity competition, together with most of the other conditions contained in the rejected settlement. The OPA argued that if the PUC rejected the proposed use of the \$500,000 for a consumer education fund, that it should impose a second \$500,000 administrative penalty on the grounds that Electricity Maine had engaged in at least two series of related violations – one series of intentional violations before it was initially warned by the PUC, and a second series after it was warned. In its Order dated February 26, 2021, the Commission accepted the OPA's recommendations regarding the first \$500,000 penalty and miscellaneous conditions but rejected the proposal for either \$500,000 for a consumer education fund or a second \$500,000 administrative penalty.

Docket No. 2020-00033, Commission Initiated Request for Proposals for the Sale of Energy or Renewable Energy Credits from Qualifying Renewable Resources Pertaining to Versant Power F/K/A Emera Maine, Central Maine Power Company

In this proceeding, on September 23, 2020, the PUC had approved seventeen contracts for the purchase of approximately one million kilowatt-hours of renewable energy credits per year over a twenty-year period from seventeen renewable energy projects located in Maine. Following issuance of this order, two developers, Longroad Energy and Clearway Renew, LLC, asked the PUC to reconsider this order. The principal objections were that the contract awards granted by the order did not include adequate performance security and that the evaluation of competing bids may have miscalculated the value of the energy cost savings and economic benefit of the projects to Maine. The OPA believes that these objections had

merit and filed supportive comments on October 23. The failure to require performance security creates a risk that accepted projects will not be constructed. Use of inadequate evaluation metrics may lead to the award of contracts to projects that do not provide the maximum benefits to Maine. On November 3, the PUC denied the requests for reconsideration. However, the OPA is hopeful that the PUC will incorporate the improvements in the process recommended in the requests in future solicitations.

Docket No. 2020-00272, Request for Approval of Terms and Conditions Regarding Low-Income Assistance Program (10/1/2020) Pertaining to Versant Power F/K/A Emera Maine

In this proceeding Versant Power requested that the PUC approve the consolidation of the separate Low-Income Assistance Programs applicable in the company's Bangor Hydro District and its Maine Public District into a single program. The OPA opposed this combination on the grounds that it would have an adverse effect on some customers participating under the program, reducing their benefits by an average of \$50 annually. In its Order issued on November 13, 2020, the Commission agreed with the OPA's arguments and denied Versant's proposal.

Docket No. 2020-00159, Commission Initiated Investigation of Possible Suspension of Central Maine Power Company's Revenue Decoupling Mechanism Pertaining to Central Maine Power Company

The PUC opened this investigation to review whether CMP's revenue decoupling mechanism should be suspended to avoid any unintended consequences arising from the ongoing COVID-19 crisis. The mechanism allows CMP to adjust its rates annually to reflect changes in the volume of its sale of electricity and is intended to ensure that CMP is not harmed financially by State efforts to promote energy efficiency and net metering. However, the mechanism also has the potential to insulate CMP from the effects of a downturn in the economy and to transfer that risk to customers. In its comments, the OPA argued that the record shows that the economic downturn caused by the ongoing COVID-19 crisis has not resulted in lower sales to residential customers. In its Order issued on December 16, 2020, the Commission agreed with the OPA's argument, and further determined that CMP's revenue-decoupling mechanism should be simplified by merging residential and commercial customers into a single class, which it found also helped resolve equity concerns regarding the effects of the pandemic.

Docket No. 2018-00271, Public Utilities Commission Investigation of the Impact of the Tax Cuts and Jobs Act of 2017 on Versant Power F/K/A Emera Maine

On October 6, 2020, the Commission reached a final decision regarding the ratemaking treatment related to the impact of the federal Tax Cuts and Jobs Act of 2017 on Versant Power. The PUC accepted the larger reduction in rates recommended by the OPA

and rejected the company's proposed treatment. The OPA had taken the position that the calculation of the rate impact should be based on the financial information used in setting the company's rates in the most recent PUC rate proceeding, while the company argued it should be based on the company's most recent financial information. The OPA argued that adopting the company's position would provide a single-issue rate increase without considering what other factors may have affected the appropriate level of rates. The Commission did allow the company to defer the company's increase in costs related to a more frequent tree trimming, an adjustment supported by the OPA.

Docket No. 2020-00081, Public Utilities Commission, Notice of Inquiry into Emergency Moratorium on Disconnection Activities Due to Covid-19 Pandemic

On September 2, 2020 the PUC staff issued a recommendation to end the emergency moratorium on disconnections issued by the Commission in early 2020 in response to the COVID-19 public health crisis. On September 9, the OPA filed comments strongly opposing the proposed termination of the moratorium arguing that since the Commission issued the emergency moratorium, economic conditions have gotten worse for those suffering the economic fallout of the COVID-19 emergency. In particular, 70,000 Mainers remained unemployed, while the \$600 supplemental federal unemployment benefit had expired, and PPP funds have nearly exhausted. Given the ongoing and worsening economic impacts of COVID-19, the OPA argued that the need for a moratorium on disconnections was more acute than when the Commission first implemented it.

On September 17, 2020 the PUC issued an order ending the emergency moratorium on disconnections implemented earlier this year in response to the COVID-19 public health crisis. The order ended the moratorium effective November 1, 2020 but would be directly followed by a transition period into the winter disconnect period that begins on November 15, 2020. During this transition period, electric and natural gas utilities were allowed to issue 14 day disconnection notices to customers but were not be allowed to disconnect those customers unless separately authorized to do so by the Commission under the winter-disconnection process set forth in Chapter 815 of its rules. Under these rules, utilities must give a customer the opportunity to enter into a special payment arrangement and cannot disconnect if the customer agrees to a reasonable payment arrangement. According to the order, "practically speaking, no actual disconnections of residential T&D or natural gas customers can occur prior to November 15."

Docket No. 2011-00138, Request for Approval of Non-Transmission Alternative (NTA) Pilot Projects for the Mid-Coast and Portland Areas Pertaining to Central Maine Power Company

DNV, as the Non-Wires Alternatives (NWA) Coordinator for the State of Maine, is performing an NWA analysis for Central Maine Power's (CMP) proposed Section 80 Rebuild Project. Section 80 is a 21.7-mile 115kV line that runs roughly northwest to

southeast through the center of the Midcoast Area. Distributed Energy Resources (DERs) play a significant role in the NWA proposed alternative to the Section 80 Rebuild Project. There are in total 112.50 MW of DER projects from CMP's Chapter 324 report in the Midcoast area, and out of that, 73.10 MW are approved projects with commercial operations dates before Q4 2021. DNV incorporates the system impact of these DERs into its NWA analysis. The NWA Report for Section 80 will be filed at the Public Utilities Commission in Docket No 2011-00138 in the near future.

Non-Wires Alternative:

In 2019, the legislature enacted LD 1181 “An Act To Reduce Electricity Costs through Nonwires Alternatives,” as PL 2019, ch.298. 2019 (NWA Act). The law directs the Office of the Public Advocate (OPA) to contract with an expert in electrical system design, referred to as the Nonwires Alternatives (NWA) coordinator, to review utility proposals for significant transmission and distribution investments. OPA selected DNV as the NWA coordinator through a competitive process in December 2019. DNV's power system planning experts provide advisory solutions for transmission and distribution development and investment. For Maine, DNV and OPA, in cooperation with Efficiency Maine Trust (EMT), analyze utility wire projects to determine if reliability can be met at a lower cost through the use of NWAs.

Specifically, DNV performs a detailed technical review of Central Maine Power's (CMP) and Versant's Annual Planning Studies to identify which projects are most likely to support an NWA. For 2020, DNV screened 133 projects, which requires an analysis of estimated and incurred project costs, proposed in-service and construction dates, and NWA exemption criteria. DNV also reviews the utility data for overall completeness of the project list, makes findings as to incomplete data provided for certain projects, and analyzes the utility's methodology for arriving at its proposal. After this initial screening, DNV conducts an in-depth review of identified projects for NWA possibilities.

For example, DNV, OPA, and EMT recently submitted an NWA project report targeting a transmission line scheduled for reconstruction, CMP is seeking to rebuild a 5-mile 34.5kV wood structure transmission line located in the towns of Brunswick and Topsham. DNV, OPA and EMT propose replacing this line with an NWA. The proposed NWA eliminates the need for the 5-mile section rebuild by providing an NWA that can deliver reliable service to customers at a lower cost. This project is currently filed for review at the Public Utilities Commission in Docket No. 2019-00309 Central Maine Power Company, Request for Approval of Rebuild of Section 31 DNV projects the total benefits of the proposed NWA project over a 40-year lifetime to be \$23,406,736. This compares favourably to the wires rebuild cost of \$14,908,562. If approved by the PUC, this NWA would create ratepayer savings of \$8,498,174.

OTHER ELECTRICITY CASES

Docket No. 2012-00376, Request For Approval of License to Operate as a Competitive Electricity Provider Pertaining to Clearview Electric, Inc.

Docket No. 2017-00144, Request for Approval for License to Operate as a Competitive Electricity Provider Pertaining to Town Square Energy, LLC

Docket No. 2019-00044, Request for Approval of Revisions to Section 12 Terms and Conditions Regarding Smart Meter Opt-Out Program (4/1/19) Pertaining to Central Maine Power Company

Docket No. 2019-00097, Request for Approval of Reorganization pertaining to Emera Maine, Maine Electric Power Company, and Chester SVC Partnership

Docket No. 2019-00132, Central Maine Power Company & Versant Power F/K/A Emera Maine Request for Certificate of Public Convenience and Necessity for Interest in Energy & Transmission Capacity for Hydro-Quebec Phase I and Hydro-Quebec Phase II Transmission Projects

Docket No. 2019-00309, Request for Approval of Section 31 Rebuild Pertaining to Central Maine Power Company

Docket No. 2020-00094, Commission Initiated Investigation of Waiver for AMP Defaults and Terminations Pertaining To Emera Maine

Docket No. 2020-00125, Commission Initiated Inquiry of The Nonwires Alternatives Investigation Process

Docket No. 2020-00131, Request for Approval of an Affiliated Interest Transaction with Enmax Pertaining to Versant Power F/K/A Emera Maine

Docket No. 2020-00152, Public Utilities Commission Amendments for Criteria to Exclude Small Transmission Projects and Distribution Projects from Investigation by the Nonwires Alternative Coordinator Chapter 319

Docket No. 2020-00165, Request for Approval of Tariff Revision EV Charging Station Pilot Program Central Maine Power Company

Docket No. 2020-00166, Central Maine Power Company Request for Approval for the Rebuild of Section Line 1 Pursuant to 35-A MRSA Section 3132-A

Docket No. 2020-00198, Request for Approval of Rate Change - 3502 Pertaining to Isle-Au-Haut Electric Power Company

Docket No. 2020-00228, Commission Initiated Investigation of Standard Offer Uncollectible Adder Pertaining to Central Maine Power Company

Docket No. 2020-00272, Request for Approval of Terms & Conditions Regarding Low Income Assistance Program (10/1/2020) Pertaining to Versant Power F/K/A Emera Maine

Docket No. 2020-00275, 10 Person Complaint for Economic and Injunctive Relief Pertaining to New England Clean Energy Connect Project, NECEC Transmission, LLC, Central Maine Power Company and Avangrid, Inc.

Docket No. 2020-00316, Request For Approval of a Rate Change - 307 (10/1/21 and 10/1/22) Pertaining to Versant Power F/K/A Emera Maine

Docket No. 2020-00344, Commission Initiated Inquiry into Performance Metrics and Regulatory Mechanisms for Transmission and Distribution Utilities

Docket No. 2020-00350, 10 Person Complaint Against Central Maine Power Pertaining to Jennifer Gamage Et Al

Docket No. 2021-00033, Commission Initiated Inquiry into Small Generator Interconnection Procedures - Chapter 324

Docket No. 2021-00035, MREA And CCSA Request for Commission Investigation into Interconnection Practices Pertaining to Central Maine Power Company

Docket No. 2021-00037, Request for Approval of Rate Change Regarding Annual Reconciliation of Stranded Cost Revenue and Costs Pertaining to Central Maine Power Company

Docket No. 2021-00051, Commission Initiated Investigation to Establish Apportionment Amounts for Low-Income Plan and Assessment for Oxygen Pump and Ventilator Programs Pursuant to Chapter 314

Docket No. 2021-00061, Commission Initiated Inquiry Regarding Request to Expand Participation in Maine's Low-Income Assistance Program

Docket No. 2021-00077, Request for Approval of Stranded Cost Revenue Requirement and Conservation Charge for BHE And MPS (7/1/21) Pertaining To Versant Power F/K/A Emera Maine

Docket No. 2021-00081, Request for Approval of an Accounting Order for Deferral of Incremental 2020 Tier 3 Storm Restoration Costs Pertaining to Central Maine Power Company

Docket No. 2021-00102, Request for Approval of Central Maine Power and Casco Bay Island Transit Joint Proposal for Storage Pilot Project

Docket No. 2021-00159, Commission Initiated Inquiry Regarding Late Payment Charges Chapter 870

FERC Docket No. AD21-9, The Office of Public Participation, Opportunity To Provide Input To The Commission On The Creation Of The Office Of Public Participation

FERC Docket No. EL20-42, New England Ratepayers Association, Petition for Declaratory Order Regarding Net Metering

FERC Docket No. ER15-1429, Versant Power, Emera Maine Open Access Transmission Tariff for The Maine Public District

FERC Docket No. ER15-1434, Versant Power, Bangor Hydro District, Annual Transmission Formula Rate Change

FERC Docket No. ER20-1977, Versant Power, Informational Filing of Versant Power Setting Forth Charges For Transmission Service For Maine Public District

FERC Docket No. ER21-1637, ISO New England, Proposed Changes to The Offer Review Trigger Price To Be Used In The Forward Capacity Market

FERC Docket No. RM20-10, Notice of Proposed Rulemaking Regarding Electric Transmission Incentives Policy

NATURAL GAS

FERC Docket No. RP20-921, Maritimes & Northeast Pipeline, LLC, Section 4 Rate Case Filing to be Effective 7/1/2020

The OPA intervened in this proceeding before the Federal Energy Regulatory Commission, where the Maritimes and Northeast Pipeline requested an approximately 30 percent rate increase. Much of the natural gas supplied to Maine consumers travels over this pipeline. The OPA participated in this proceeding at the FERC representing ratepayers' interests. Negotiations in this case resulted in a reduction from the requested rates and other more favorable terms, including the moratorium on another full rate proceeding until late 2023. The resulting Stipulation was approved on April 30, 2021.

Docket No. 2017-00147, Bangor Natural Gas Company, Inc. Annual Review of Cost of Gas Activities Report for May 1, 2016-April 30, 2017

On June 30, 2017, Bangor Natural Gas Company, Inc. (Bangor Gas) filed its annual cost of gas activities report, reporting its gas purchases, sales, and hedging activities. Through the proceedings, it was discovered that Bangor Gas was charging the cost of replacing all of the lost and unaccounted for gas (LAUF) on its system to only its bundled customers, those that received both gas supply and delivery service from Bangor Gas. Bangor Gas was also charging its transportation customers, those receiving only delivery service from Bangor Gas, a fee to compensate for LAUF gas. The amounts collected through this fee was retained as revenue by Bangor Gas, instead of being used to reduce the amount that the bundled customers paid to replace all LAUF on the Bangor Gas system.

The OPA filed a motion for summary judgment on March 22, 2018, arguing that this practice violated 35-A M.R.S. § 4703. The Commission by Order dated September 20, 2019 agreed with the OPA and ordered Bangor Gas to stop this practice and refund to its bundled customer the excess charges after follow-on proceedings to determine the correct amount of refund.

Bangor Gas appealed the Commission's Order to the Maine Supreme Judicial Court, where both the Commission and OPA participated in briefing. The OPA argued that issue was not ripe for appeal, because the amount of refund and any penalties was to be determined in the follow-on proceedings. On October 23, 2020, the Maine Supreme Judicial Court dismissed Bangor Gas' appeal finding that the Commission's September 20, 2019 Order was not a final judgment. Subsequently, the follow-on proceedings were undertaken by the Commission including the requirement that Bangor Gas submit additional information needed to determine the amount to be refunded. Ultimately, Bangor Gas and the OPA entered into a Stipulation resolving this matter and the related open issues in docket

numbers 2018-00161, 2019-00145 and 2020-00190 and that Stipulation was approved by Commission Order on July 15, 2021 resulting in refunds to customers totaling \$350,000.

Docket No. 2020-00178, Maine Natural Gas Corporation, Request for Approval of Annual Cost of Gas Adjustment Rate (9/1/20-8/31/21)

Maine Natural Gas Corporation (MNG) filed its annual cost of gas reconciliation on June 16, 2020, for the period July 1, 2019 through June 30, 2020. The result as proposed by MNG, was a monthly decrease to (\$0.0478) per term applicable to the Index Price Option customer rates for effect September 1, 2020 through August 31, 2021. The filing represented both an adjustment for an overcollection and the second year of MNG's return of a refund required pursuant to the Commission's Order in Docket No. 2017-00209. Consistent with discussions at the July 24, 2020 technical conference at which the OPA participated MNG corrected its COG filing for anticipated throughput for September 2020 through August 2021.

The OPA agreed to the monthly decrease in the COG filing, but urged the Commission to require MNG to make a filing in advance of the date it expected to begin receiving Atlantic Bridge Service to allow time for the Commission to review and approve any filing.

By Order of August 27, the Commission required MNG to file its proposed demand cost component, including estimated offsets for capacity sales, release, and assignments, as well as it plan for managing excess capacity, a minimum of 120 days prior to the date of its proposed inclusion of Atlantic Bridge demand costs.

On October 5, 2020, MNG filed its proposed Atlantic Bridge demand costs, updated again on October 23, 2021. The OPA objected to the demand costs as amended and filed comments stated that they were unreasonable and should not be approved, pending certainty about Atlantic Bridge availability, removal of carrying charges for November, and revision of calculations confined to the period at issue not a full year. Subsequently, MNG amended its filing.

On December 2, 2020, the Commission approved the filing related to Atlantic Bridge as filed October 5, 2020 and amended November 6, 2020.

Docket No. 2020-00190, Bangor Natural Gas Company, Inc. Annual Review of Cost of Gas Activities Report for May 1, 2019-April 30, 2020

On July 1, 2020, Bangor Gas filed its Annual Cost of Gas Activities Report for May 1, 2019 through April 30, 2020, followed by an amendment to its report on August 4, 2020 to propose a Fuel Reimbursement percentage of 1.2% for the 2021 cost of gas review period to begin on November 1, 2020.

The OPA intervened on July 1, 2020 and participated in a technical conference on September 29, 2020. On October 30th, the OPA submitted comments in this case related to the review Bangor Natural Gas Company's gas actual purchasing and hedging activities for the 2019-2020 gas year and the Company's forecasts for the 2020-2021 gas year. The OPA raised issues regarding Bangor Gas' cost of gas activities in relation to the Veazie and Bucksport laterals. More particularly, the prudence of the Company's decisions resulting in reduced capacity release on the laterals in turn reducing revenue offsets of the costs of capacity credited to the cost of gas rates and the way reservation charge for the Veazie lateral is recovered in cost of gas rates.

On December 23, 2021, the Commission approved Bangor Gas' procurement and hedging activities and agreed with the OPA that Bangor Gas' practices for releasing capacity is warranted and ordered the Company to include additional information in its 2021 filing.

Docket No. 2020-00194, Request for Approval of Annual Cost of Gas Rate Adjustment (2020) Pertaining to Summit Natural Gas of Maine, Inc.

On July 24, 2020, Summit Natural Gas of Maine (Summit) filed a proposed cost of gas rate of \$0.502 per term for all customer classes for the period October 1, 2020 through September 30, 2021 period. On August 25, 2020, Summit filed a revision to its proposed cost of gas requesting a CGA rate of \$0.528 per term reflecting the fixed costs of gas for contracts for the winter period and updated pricing forecasts.

The OPA raised concerns in this proceeding that the amount the Summit credited to the cost of gas to resolve a billing error was incorrect, arguing that further process should be conducted to review this error

The Commission agreed in part with the OPA that the adjustment to the CGA rate that Summit made for the billing error was incorrect. While it did not order additional proceedings, the Commission adjusted the CGA rate for the error and approved a lower cost of gas rate of \$0.526. The Commission opened a summary investigation to determine whether sales customers were not adequately protected from cost shifts from Summit's resolution of transportation customers' imbalances. Summit was further ordered to make a filing in the docket regarding when the Atlantic Bridge Project was scheduled to go into effect and the estimated effect on cost of gas rates, including proposing a midcourse adjustment if warranted.

Docket No. 2020-00339, Request for Approval of an Affiliated Interest Transaction Pertaining to Summit Natural Gas of Maine, Inc

On December 22, 2020 Summit Natural Gas of Maine (SNGME) filed a petition requesting that the Commission, under 35-A M.R.S. § 707(3), retroactively approve three guarantees previously issued by Summit Utilities, Inc. (SUI), on SNGME's behalf. Where

SUI did not charge SNGME any fees for providing these guarantees and no costs have flowed to ratepayers, the OPA did not request fines for SNGME's failure to seek timely approval for the guarantees. The Commission held that the parental guarantees issued on SNGME's behalf by SUI in 2013 and 2014 are not averse to the public interest and approves them to the extent required. SNGME is required to report during its annual cost of gas proceeding on any new or changed SUI guarantees.

Docket No. 2020-00232, Request for Approval of Cost of Gas Filings Pertaining to Northern Utilities, Inc. D/B/A UNITIL

On August 14, 2020, Northern Utilities filed its proposed cost of gas for the 2020-2021 winter period, updated in revisions filed in September and October 2020. The OPA's expressed the primary concern that Northern proposed included the anticipated costs of transporting gas via the Atlantic Bridge project without any of the expected revenues from releasing transportation capacity that would offset those costs. On October 21, the OPA submitted exceptions to the Examiner's Report on Northern Utilities' proposed cost of gas for the 2020-2021 winter period reiterating concerns the OPA raised in comments in the case. The OPA asked the Commission to direct Northern to promptly file for approval to revise the winter season cost of gas rates when the amount of credits for Atlantic Bridge or PXP capacity were known and to file for revised rates if it began paying demand charges for either service later than November 1, 2020. By Order of October 29, 2020, the Commission approved Northern's proposed CGA with additional reporting requirements.

Docket No. 2021-00019, Bangor Natural Gas, Request for Reorganization to be Acquired by Ullico Infrastructure Fund

In this proceeding Bangor Natural Gas asked for approval for its parent company, Hearthstone Utilities, to be acquired by an investment fund. After its review of the filing, the OPA recommended denying approval for the reorganization on the grounds that the Company had not met its burden to demonstrate that the transaction provided net benefits to customers, as required by law. In the alternative, the OPA suggested that approval would be warranted if it were conditioned \$500,000 in payments for the benefit of customers and various other conditions designed to address potential risks. In its recommended decision, the PUC Staff agreed that, as filed, the proposal failed to meet the statutory condition, but believed enhancements beyond those suggested by the OPA were necessary to endure that the transaction provided net benefits. The OPA and the Company engaged in discussions and presented a settlement to the Commission that called for additional benefits and protections, which was accepted by the Commission in an Order published July 28, 2021.

OTHER NATURAL GAS CASES

Docket No. 2020-00089, Request for Approval of Affiliated Interest Transaction for a Special Rate Agreement, Natural Gas Sale and Purchase Agreement, and Interconnection Agreement with Peaks Renewables, Inc. Pertaining to Summit Natural Gas of Maine, Inc.

Docket No. 2021-00032, Request for Approval of 2021 Summer Cost of Gas Rates Pertaining to Northern Utilities, Inc. D/B/A/ UNITIL

Docket No. 2021-00044, Request for Approval of Targeted Infrastructure Replacement Adjustment Rate and 2020 Cast Iron Replacement Program Reporting Pertaining to Northern Utilities, Inc. D/B/A/ UNITIL

Docket No. 2021-00072, Request for Approval of an Affiliated Interest Transaction with Granite State Gas Transmission, Inc. Pertaining to Northern Utilities, Inc. D/B/A/ UNITIL

Docket No. 2021-00075, Request for Approval of Annual Price Change Pertaining to Summit Natural Gas of Maine, Inc.

Docket No. 2021-00112, Request for Approval of a Waiver Related to the Design Factor Applicable to Anodeless Risers Pertaining to Summit Natural Gas of Maine, Inc.

TELECOMMUNICATIONS

Docket No. 2018-00319, Investigation Regarding 2018 SQI Results Pertaining to Consolidated Communications, LLC

In this proceeding, the Commission opened an investigation into Consolidated Communications failure to meet its Service Quality Indicators for certain periods in 2018 and 2019. The Office of the Public Advocate intervened and participated in this matter including through a technical conference. The Hearing Examiner issued an Examiner's Report on July 28, 2020, recommending that Consolidated not be subject to a fine because it had achieved compliance with all four of its SQIs for the Q4 2019 forward, and requiring Consolidated to provide the Commission with a contingency plan for foreseeable service disruptions within 60 days of the date of the Order. The OPA did not object to this recommendation, but submitted comments on August 7, 2020, outlining additional concerns and recommendations that it proposed the Hearing Examiner consider in an effort to provide access to metrics to help customers be better informed about the performance of their service provider, including any on-going or new investigations. The Company continues to provide on-going reporting regarding its Service Quality Indicators in this docket.

Docket No. 2020-00268, Mid Maine Telecom, LLC, Pine Tree Telephone, LLC, Saco River Telephone, LLC Request for Approval of Reorganization

This proceeding involves the proposed purchase of Otelco, parent company of Mid Maine Telecom, LLC, Pine Tree Telephone LLC, and Saco River Telephone, LLC, by Oak Hill Capital. Oak Hill Capital previously owned Oxford Networks in Maine. Otelco stated that the reorganization would provide additional capital to invest in high speed broadband in its service areas and potentially in neighboring areas.

The OPA initially opposed the transaction on the grounds that it failed to satisfy the statutory requirement to provide net benefits to customers. Following settlement discussions, the company agreed a multiyear rate stay out pursuant to which it would not raise rates for telephone customers in areas where it has been designated as a provider of last resort, and further agreed to work with the OPA on the development of low income rates for broadband service. A settlement agreement reflecting these terms was submitted to the Commission and approved on March 16, 2021.

Docket No. 2020-00301, Consolidated Communications, Request for Approval of Reorganization

On October 26, 2020, Consolidated Communications of Northern New England Company, LLC, and Consolidated Communications of Maine Company filed a petition

requesting approval of a change of control of the Company. Under the proposed transaction, Consolidated requested approval for Searchlight Capital Partners to invest up to \$425 million to acquire up to a 35% equity interest in the company. Consolidated stated that it intends to use this funding to place over 4,000 additional miles of fiber, much of which will replace its existing copper network, and thereby improve quality of service to its customers.

The OPA initially opposed the transaction on the grounds that it failed to satisfy the statutory requirement to provide net benefits to customers. Following settlement discussions, the company agreed to a multiyear rate stay out pursuant to which it would not raise rates for telephone customers in areas where it has been designated as a provider of last resort, and further agreed to offer a low income rate for broadband service at a capped price for at least two years. A settlement agreement reflecting these terms was submitted to the Commission and approved on May 18, 2021.

Docket No. 2020-00361, Request for Approval for Designation as an Eligible Telecommunications Carrier Pertaining to Pioneer Wireless, INC, D/B/A Pioneer Broadband

On December 30, 2020, Pioneer Wireless, Inc. d/b/a/ Pioneer Broadband (Pioneer) filed a petition for designation as an Eligible Telecommunications Carrier (ETC) related to its status as a winning bidder in the Federal Communications Commission's (FCC) Rural Digital Opportunity Fund (RDOF) auction for 1,638 locations in Maine. The Company also requested a waiver of the requirement in Chapter 206 to submit a five-year investment plan due to required federal submissions. The Company is set to receive \$5,543,142 to build-out broadband service to the identified locations.

The OPA raised concerns that the Pioneer's proposed service charges and installation fees may make it difficult for low-income customers to afford service. The OPA also argued that the Company needs to provide clear guidance to customers on customer service contacts, customer privacy and the timing of its planned build out.

The Commission approved the Company's ETC Designation and requested waiver on April 28, 2021.

Docket No. 2021-00005, Request for Approval for Designation as an Eligible Telecommunications Carrier Pertaining to Starlink Services, LLC

On January 4, 2021, Starlink Services, LLC (Starlink) filed a petition for designation as an Eligible Telecommunications Carrier (ETC) related to its status as a winning bidder in the Federal Communications Commission's (FCC) Rural Digital Opportunity Fund (RDOF)

auction for locations in Maine. The Company also requested a waiver of the requirement in Chapter 206 to submit a five-year investment plan due to required federal submissions. The Company is set to receive \$34,057,837 to provision satellite-based broadband service to the locations.

The OPA raised concerns about the reliability of the service and proposed service charges and installation fees creating difficulty for low-income customers to afford service. Further, the OPA questioned the Company's intent to have customers bear responsibility for the installation and maintenance of the necessary equipment. The OPA also argued that the Company needs to provide clear guidance to customers on customer service contacts, customer privacy and the timing of its planned build out.

The Commission approved the Company's ETC Designation and requested waiver on May 11, 2021 but required the Company to submit all reports it files with the FCC in this docket and directly to the OPA.

Docket No. 2021-00006, Request for Approval for Designation as an Eligible Telecommunications Carrier Pertaining to Redzone Wireless, LLC

On January 6, 2021, Redzone Wireless, LLC (Redzone) filed a petition for designation as an Eligible Telecommunications Carrier (ETC) related to its status as a winning bidder in the Federal Communications Commission's (FCC) Rural Digital Opportunity Fund (RDOF) auction for 755 locations in Maine. The Company also requested a waiver of the requirement in Chapter 206 to submit a five-year investment plan due to required federal submissions. The Company argued that it was set to receive \$507,752 to build-out broadband service to the identified locations.

The OPA raised concerns that the Redzone's proposed service charges and installation fees may make it difficult for low-income customers to afford service. The OPA also argued that the Company needs to provide clear guidance to customers on customer service contacts, customer privacy, and the timing of its planned build out.

The Commission approved the Company's ETC Designation and requested waiver on April 28, 2021. The Company subsequently petitioned to relinquish its ETC designation.

OTHER TELECOMMUNICATIONS CASES

Docket No. 2021-00045, Amendments to Chapter 294 of the Commission's Rules – Lifeline

ConnectMaine Authority

Senior Counsel from the Office of the Public Advocate attends the monthly meetings of the ConnectMaine Authority Board, observing and participating on relevant topics. The ConnectMaine Authority is tasked with promoting and facilitating the expansion of broadband access to businesses and residences throughout Maine. For more information about the recently created Maine Connectivity Authority, please refer to the summary of LD 1484 in the Legislative Advocacy section of the report.

WATER

Docket No. 2021-00053, Request for Approval of Rate Increase and Rate Smoothing Mechanism (10/1/21) Pertaining to the Maine Water Company Biddeford & Saco Division

The Maine Water Company (MWC or Company) filed a Request for Approval of Rate Increase and Rate Smoothing Mechanism (RSM) on March 10, 2021.

The OPA opposed allowing any rate increase before the new treatment facility was completed and in service. The RSM is a deviation from the standard ratemaking principle that customers do not pay for a facility unless and until it is used and useful in public service. The original RSM proposal from MWC included federal and state taxes and only one year of customer interest. Specifically, MWC's original RSM proposal, as disclosed in the Company's application materials, was to return \$1,482,977 of the \$2,000,000 RSM tariff to customers. The OPA objected to the lower refund amount for customers and the interest calculation. The Company changed its tax position through an offsetting tax benefit, increased the interest rate in the first year of the RSM, agreed to accrue interest on the RSM account balance until it would be fully returned to customers, and adopted monthly compounding of interest. The net result of these changes increased the total amount of the RSM funds to be returned to customers to more than \$2.1 million, an increase of approximately \$650,000 from Maine Water's original proposal. The Commission approved the RSM, finding that the RSM will avoid predicted rate shock for ratepayers under traditional ratemaking principles and will ultimately cost ratepayers less, perhaps as much as \$2 million less, than a phased-in approach.

Docket No. 2020-00053, Request for Approval of Rate Change, 307 Pertaining to Machias Water Company

On February 19, 2020, Machias Water Company submitted a filing requesting an initial increase of 25% to its water rates, later amended to 30% or \$530,712. The Office of the Public Advocate intervened and previously participated in a technical conference in this matter on April 23, 2020 and a case conference on June 17, 2020. The Company submitted testimony on August 4, 2020, suggesting that the Company should be allowed to increase its rates, on which the OPA conducted discovery by requesting additional data and explanation from the Company. On October 27th and November 3rd, the OPA submitted its initial brief and reply brief in this case arguing against any rate increase. In addition, on November 2nd, the OPA filed an objection to the Company's appeal of an evidentiary ruling. On November 17, 2020, the Hearing Examiner's Report was issued reducing the requested rate increase by approximately \$10,000 and requires the Company to keep records to establish reasons for staffing and bonuses. The Examiners' Report directed the Company to create an informal in-house 5 to 10-year forward-looking written plan that identifies age and strength

of its infrastructure and seek estimates for a formal comprehensive plan. The Company must, within 120 days, submit a timeline for compliance with its Chapter 140 filing requirements. The OPA submitted comments on November 24, 2020, agreeing in part with the Examiners' Report but arguing for additional reduction in requested rates. By Order on December 1, 2020, the Commission approved an \$520,661 increase with the related requirements placed on the Company.

Docket No. 2020-00126, Request for Approval to Transfer Utility Property, Boothbay Region Water District

In this proceeding, the District sought to transfer an undersea water main serving Squirrel Island to the Squirrel Island Village Corporation. The Office of the Public Advocate intervened and issued discovery requests in this matter. The OPA participated in a technical conference regarding the position of the Boothbay Region Water District on July 9, 2020. The Commission Staff requested an advisory ruling from the Maine Drinking Water Program related to this case in July. A case conference, in which the OPA participated, regarding the advisory ruling and procedure in this matter was held on August 10, 2020. Intervenor Squirrel Island Water Association filed testimony on September 3, 2020. The District withdrew its petition on March 24, 2021, with the Commission taking notice that its petition was withdrawn with prejudice on April 6, 2021.

Docket No. 2020-00288, Request for Approval of an Affiliated Interest Agreement and Cost Allocation Manual Pertaining to Maine Water Company

In this proceeding, Maine Water Company sought approval of charges made to its operating companies in Maine by its parent, San Jose Water Company. This is a standard request from utilities that are part of a holding company structure. Utilities under this structure frequently have a variety of services performed for them either by their corporate parent or by another subsidiary of their corporate parent. The issues presented center on whether the services provided by a parent or affiliate are at reasonable prices as compared to what the utility could obtain from third party vendors or by performing the services for themselves, as well as whether the sharing of such costs among all subsidiaries of the parent is fairly allocated. Maine Water Company had previously been a subsidiary of Connecticut Water prior to that company's acquisition by San Jose Water, and previously had a contract to have certain services provided to it by Connecticut Water. After review of the filing, the parties engaged in settlement discussions, following which the company and the OPA presented a settlement agreement to the Commission. The Commission approved the settlement on January 14, 2021.

OTHER WATER CASES

**Docket No. 2020-00285, Request for Approval of a Waiver of Chapter 660 Section 4
Pertaining to Sanford Water District**

LEGISLATIVE ADVOCACY

Public Advocate Barry Hobbins as well as representatives from the Office of the Public Advocate attended all public hearings and work sessions of the Joint Standing Committee on Energy, Utilities and Technology (EUT) during the First Regular Session and the First Special Session of the 130th Legislature. The OPA regularly appears before the EUT committee, presenting testimony during the public hearings and participating in work sessions and language review sessions. The OPA introduces legislation that works to assist us in our efforts to obtain the greatest benefits for the ratepayers of Maine. The OPA also actively participated during the legislative session in stakeholder groups which we believe greatly benefit the ratepayers of Maine. More information can be found on our website at www.maine.gov/meopa/reports.

PL 2021 – c. 101 (LD 143) “An Act Regarding the Arrearage Management Program”

LD 143, “An Act Regarding the Arrearage Management Program,” extended the statutory requirement for investor-owned utilities to provide an Arrearage Management Program (AMP) to qualifying customers for an additional two years. Specifically, the AMP requirement will remain in effect until September 30, 2024 instead of ending on September 30, 2022.

AMP is available to low-income customers with \$500.00 or more due on their electricity bill, a portion of which must be at least 90 days old. The program is designed to use an incentive by rewarding on-time payments with debt forgiveness and, ideally, establishing a pattern of on-time payments going forward. AMP helps to avoid disconnection and reduces utility and ratepayer expenses associated with bad debt, collection costs and disconnection costs. The goal is to allow low-income customers who have fallen behind on their bills an opportunity to become current and avoid disconnection. It is important to note that AMP is only available to customers one time. This program cannot be used every time a household falls behind on their utility bill.

This extension of AMP is an opportunity to continue the novel approach set in motion in 2018 to support low-income customers with financial coaching, energy usage education and energy efficiency measures to ensure that their future bills become more affordable. Through AMP the utilities work to improve customer engagement; Efficiency Maine assists the participating customers to increase the efficiency of their energy usage and the Community Action Agencies help to provide financial education and thus reduce financial burden on vulnerable households. Through these partnerships, AMP strives to decrease electricity bills, helps customers to budget for future bills, and aids in successful

completion of the Program. Extending the program allows the needed time to fully implement the improvements to the program and to help it achieve the potential for which it was created – to allow low-income customers who have fallen behind on their bills to lower their usage, to become current and to avoid disconnection.

The law also updated the reporting requirements. First, the PUC is required to report to the Joint Standing Committee on Energy, Utilities and Technology (EUT) on the AMP in January 2024, extending the reporting deadline two years from January 2022. The EUT Committee may report out a bill relating to the commission report to the Second Regular Session of the 131st Legislature. Second, the Committee requires the PUC to consider proven, global-best practices to assist low-income electric customers in open Docket No. 2021-00061. This docket has an active and engaged stakeholder group comprised of the PUC, OPA, AARP, Maine Equal Justice, and many investor-owned and consumer owned electric utilities. The report will be available by January 15, 2022.

This bill was signed into public law by Governor Mills on June 8, 2021.

PL 2021 – c. 195 (LD 487) “An Act Regarding Certain Employees of and To Provide for the Payment of Certain Filing Fees to the Public Advocate”

LD 487, “An Act Regarding Certain Employees of and To Provide for the Payment of Certain Filing Fees to the Public Advocate,” was intended to accomplish two important goals related to the administration and operation of the Office of the Public Advocate: to modify the title and functions of an existing position of the Office; and to clarify the potential acceptance of funds from outside sources such as grants and settlements.

The legislature approved the office’s proposal of modifying the position of the existing statutory established position of “Business Services Manager” to “Senior Assistant to the Public Advocate.” This change in title reflects changes in the duties performed by the position, with no change in pay range. Before the introduction of the bill, the OPA engaged the Department of Administrative and Financial Services (DAFS) to assist it with business functions. This position, as revised, removed the business related functions, most of which have been assumed by DAFS, to focus on its other existing functions – legislative support, administrative support to the office, and public outreach – to best support our statutory mission to assist Maine utility ratepayers.

The Bill, as finally enacted also allows the OPA to collect filing fees from transmission and distribution utilities to provide the OPA with greater resources to engage consultants to assist in the review of electric transmission projects.

The OPA believes this bill will assist the office in best-serving Maine’s ratepayers and will increase the overall efficiency of the office accomplishing that mission.

The Governor signed this bill into law on June 14, 2021.

PL 2021 – c. 107 (LD 507) “An Act To Improve Consumer Protections for Community Solar Projects”

LD 507, “An Act To Improve Consumer Protections for Community Solar Projects,” directs the PUC to adopt consumer protection rules for customers who participate in or are solicited to participate in community solar projects through a net energy billing arrangement. The OPA was integral in the drafting of this bill.

The provisions grant the PUC jurisdiction to enact and enforce consumer protection standards for residential customers participating in community solar offerings. The law is founded upon the knowledge Maine has gained in the past twenty years with competitive electricity providers. While the arrangement with solar developers is different than electricity suppliers, the need for consumer protections is clear. The language mirrors that set forth in Title 35-A, sections 3203 and 3486 addressing the authority of the commission to implement and enforce consumer protections for customers of competitive electricity providers and shared distributed generation resource projects, respectively. Indeed, the grant of consumer protection authority to the PUC in section 3486 with respect to shared distributed generation resource projects, suggests that the omission of such authority in the 2019 amendments to section 3209-A was likely an oversight.

We have already seen several developers and marketers engaged in door-to-door sales activities as a means of reaching prospective customers. As we’ve seen with respect to competitive energy providers, such marketing practices, while permitted by law, have the potential to be abused. Critically, with respect to these community solar project, developers are asking customers to make multiyear commitments of fifteen and even twenty years. By comparison, competitive electricity providers typically seek customer commitments of only one year or less. We worry about any long-term contract that puts an undue burden on residential customers with large fines or needing to find a replacement for their subscription to the solar facility.

Before this bill was passed, absence of statutory authority being granted to the PUC, the responsibility to investigate and enforce any unfair business practices in which these parties might engage fell to the Attorney General. The OPA believes that residential utility customers are accustomed to contacting the OPA and the PUC for technical expertise and resources and thus, the PUC is a more appropriate designee of such responsibility.

The Office of the Public Advocate is committed to protecting the best interests of consumers in every facet of the marketing of energy and believes this bill gives the PUC the resources and means to regulate this issue effectively.

This bill was signed into public law by Governor Mills on June 8, 2021.

PL 2021 – c. 108 (LD 508) “An Act To Improve Regulation of Door-to-door Marketing of Retail Energy Supply”

LD 508, “An Act To Improve Regulation of Door-to-door Marketing of Retail Energy Supply,” is identical to a bill passed out of committee last session, but which never reached a vote of the full legislature due to limitations arising from the pandemic. The bill originally introduced by the OPA last session was far more ambitious than that ultimately passed out of committee. Through compromises with other interested parties, including competitive energy suppliers, the final form of the bill adopted by the committee addressed only a single issue – the jurisdiction of the PUC over independent door-to-door sales contractors used by competitive energy providers to market the service offered by those providers. The bill grants the PUC the authority to investigate claims against these third-party contractors and to impose civil penalties for violations of the consumer protection rules enacted by the Legislature by statute and the PUC by rule.

The OPA believes regulation of third-party sales agents by the PUC will protect consumers from entering into fraudulent agreements by requiring compliance with the Maine Unfair Trade Practices Act and other federal and state laws and rules regarding door-to-door sales. This bill strengthens the authority the PUC has in enforcing consumer protections related to competitive electricity sales. Prior to passage of LD 508 the PUC was only able to sanction the competitive energy supplier for the actions of a third-party sales agent. We are hopeful that this additional enforcement ability will decrease the occurrence of customer abuses.

The law also standardizes the disclosure requirements for any agent engaging in door-to-door marketing. The new disclosure requirement includes 14-point font and the contact information for the PUC and OPA in addition to any other information that the PUC deems necessary. Having clear, consistent disclosure forms has proven to decrease customer confusion. Increasing access to State resources allows customers to better understand a contract offer and the standard offer.

This bill was signed into public law by Governor Mills on June 8, 2021.

PL 2021 – c. 370 (LD 1025) “An Act To Support Arrearage Management Programs through Unused Kilowatt-hour Credits Derived from Net Energy Billing Arrangements”

LD 1025, “An Act To Support Arrearage Management Programs through Unused Kilowatt-hour Credits Derived from Net Energy Billing Arrangements,” allows for customers participating in net energy billing arrangements to donate unused kilowatt-hour credits once annually to customers who are enrolled in that same utility’s arrearage management program.

The OPA understands there may be some technical issues implementing this into the billing systems of the utilities but is hopeful for a quick resolution that allows the implementation of this important legislation.

This bill became Public Law on June 27, 2021.

PL 2021 – c. 364 (LD 1484) “An Act To Establish the Maine Connectivity Authority”

LD 1484, “An Act To Establish the Maine Connectivity Authority,” created the Maine Connectivity Authority charged with ensuring the universal availability in Maine of high-speed connectivity and secure, affordable reliable, competitive, and sustainable forward-looking advanced communications technology infrastructure. In particular, the Authority will use significant federal funds distributed to Maine under the federal American Rescue Plan Act of 2021 to meet these goals.

The seven voting members were appointed by the Governor and confirmed by the Legislature in July 2021. They are Carlos Javier Barrionuevo, Daniel P. Belyea, John Chandler, Danielle Louder, Michael C. Reed, Timothy R. Schneider, and Robert J. Souza. In addition, four ex officio voting members or their designees, as designated by the law, also serve on the board. They are the Commissioner of Economic and Community Development, the Chancellor of the University of Maine System, the Chief Executive Officer of the Finance Authority of Maine and the Chief Information Officer within the Department of Administrative and Financial Services.

Pursuant to its authorizing legislation, the Authority must provide a report to the joint standing committee having jurisdiction over utilities matters no later than January 15, 2022, and annually thereafter. This report must include a report on the budget of the authority, document the activities of the authority, including progress toward state connectivity goals in law, contain a listing of any investments in money in the authority and contain an analysis of the availability of communications services and advanced communications technology infrastructure.

The law also directs the Maine Connectivity Authority, in consultation with the ConnectMaine Authority, to review existing law and develop recommendations for any necessary changes to facilitate the oversight of the ConnectMaine Authority by the Maine Connectivity Authority, including changes establishing the ConnectMaine Authority as a division of or other unit under the Maine Connectivity Authority. These recommendations should be reported to the Joint Standing Committee on Energy, Utilities and Technology on or before January 15, 2022. Finally, the authorizing legislation includes a sunset review of the Maine Connectivity Authority to be completed by January 15, 2030.

This bill was signed into public law by Governor Mills on June 24, 2021.

OTHER LEGISLATIVE ACTIVITY

There were many bills which addressed the Governor’s climate goals and various renewable energy projects that the Office of the Public Advocate testified in support of throughout this past session. Achieving these goals is a priority of the Office, however those policies must be crafted in a way to not negatively affect the Maine ratepayer as well as those least able to afford an increase in their utility rates.

In addition to the bills passed out of committee this session, there were a number of bills carried over to the next legislative session. The committee decided that these bills needed more time devoted to them or preferred to wait for more information from interested parties to make the best decision possible going forward. Below, please find a list of these bills:

LD 82, “Resolve, To Provide for Participation of the State in the Planning and Negotiations for the Atlantic Loop Energy Project”

LD 170, “An Act Pertaining to Transmission Lines Not Needed for Reliability or Local Generation”

LD 318, “An Act To Provide More Options to Maine Electric Service Customers and Support Maine's Climate Goals”

LD 337, “An Act Regarding Energy, Utilities and Technology”

LD 634, “An Act To Cap the Value of Contracts for Renewable Resources and Distributed Generation Resources”

LD 682, “An Act To Ensure the Viability of the Northern Maine Electric Transmission Grid”

LD 697, “An Act To Enhance the Energy Security of Maine Residents”

LD 840, “An Act To Prevent Power Line Electrocutions”

LD 1026, “An Act To Update the Regulation of Public Utility Monopolies”

LD 1079, “Resolve, To Review the Effects of the Deregulation of Maine Utilities”

LD 1107, “An Act To Create Needed Broadband Infrastructure in Rural Maine through the Establishment of a Satellite-based Broadband Grant Program”

LD 1202, “An Act To Establish a Wood-fired Combined Heat and Power Program”

LD 1350, “An Act To Expand Maine's Clean Energy Economy”

LD 1409, “An Act Regarding High-impact Electric Transmission Lines”

LD 1511, “An Act To Finance Distribution Investments at the Lowest Cost to Customers and To Encourage Utility Performance”

LD 1579, “An Act To Transition State and Local Motor Vehicle Fleets to 100 Percent Zero-emission Vehicles”

LD 1587, “An Act To Remove the Municipal Ordinance Exemption for the Development of Nonessential Transmission Lines”

LD 1634, “An Act To Create the Maine Generation Authority”

The following bills were passed by the committee but are awaiting funding and have been carried over to next session by the Appropriations and Financial Affairs Committee:

LD 245, “An Act Regarding Rural Water Districts”

LD 506, “An Act To Reduce the Tax Burden on Low-income Electricity Customers”

LD 551, “An Act To Accelerate Weatherization Efforts in the State”

LD 1554, “An Act To Provide Climate Change Transition Assistance for Maine's Energy-intensive Businesses”

LD 1555, “An Act To Fund Broadband Internet Infrastructure for Marginalized Groups in the State”

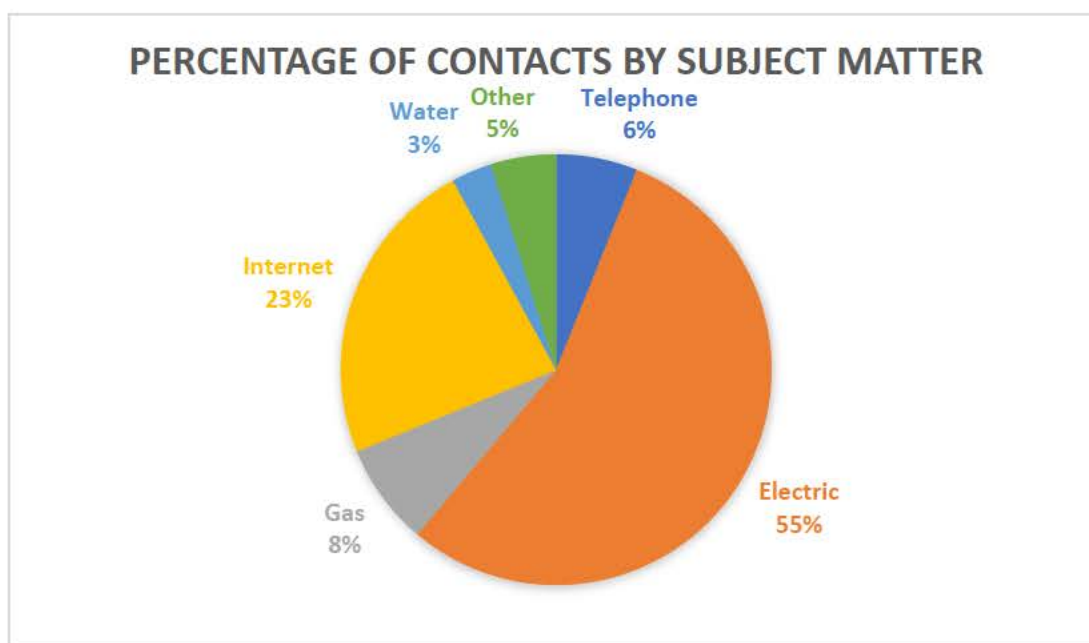
SUPPORT FOR UTILITY CUSTOMERS

Assisting Litigants

Cases before the Maine Public Utilities Commission (PUC) are often a daunting prospect for concerned citizens wanting to express their opinions in a particular case. We assisted seven groups of individuals as they explored the possibility of filing a 10-person complaint against a utility. Of these, five proceeded with the complaint and filed with the Public Utilities Commission. Two cases involved complaints alleging unreasonable or cost allocations between Lewiston and Auburn Water Districts, two complaints focused on management issues with a local water utility, and one requested an investigation of Consolidated Communications local infrastructure and reliability during power outages in Rockwood. Assisting individuals with these complaints is an ongoing process as there are frequently questions about case process and format. Additionally, the Consumer Advisor serves as a resource for individuals participating before the Commission in cases beyond the 10-person complaint process. These individuals receive guidance on case process and templates and step-by-step direction on how to file within the online docketing system.

Responding to Customer Concerns

In the past year, the Consumer Advisor received and addressed consumer calls, emails and in-person questions. These calls often require multiple follow-ups with the utility and the consumer before the issue is completely resolved.



While the pandemic reduced the opportunities for the Consumer Advisor to serve as a resource at in-person events as detailed in years past, it highlighted the importance of accessibility through email and phone calls. The OPA serves an important role at public witness hearings and assists individuals by educating them on the process, answering questions about the case and providing written materials. The Consumer Advisor strives to create new templates to meet the changing needs of this virtual landscape.

Consumer Education

We continue to serve as a dynamic resource for customers interested in competitive electricity providers by updating the rate offerings on a monthly basis. This year saw the electricity world become even more confusing for residential customers with the influx of community solar offerings. In response to the demand, the Consumer Advisor generated a one-page handout to guide consumers through this new offering, developed a webpage specific to the topic, and fielded several interviews to help educate the public about community solar. In an effort to create a live resource with practical information, a video was produced in-house and is shown on the website as well.

RATEPAYER SAVINGS

Ratepayer savings from July 1, 2020 to June 30, 2021 attributable to the efforts of the Office of the Public Advocate:

Docket No. 2017-00147, Bangor Natural Gas Company, Inc. Annual Review of Cost of Gas Activities Report for May 1, 2016-April 30, 2017

BNG and the OPA entered into a Stipulation resolving 2017-00147 and the related open issues in dockets 2018-00161, 2019-00145, and 2020-00190. That Stipulation was approved by Commission Order on July 15, 2021 resulting in refunds to customers**\$350,000.00**

Docket No. 2021-00036, Central Maine Power Company Annual Compliance Filing and Request for Approval of Annual Price Change.

In its proceeding, the PUC accepted the OPA's proposal to a portion of CMP's 2020 storm costs, reducing this year's distribution rate increase by \$12 million**\$12,000,000.00**

Docket No. 2010-00256, Application for License to Operate as a Competitive Electricity Provider Pertaining to Electricity Maine, LLC.

The PUC ordered an administrative penalty of \$500,000.....**\$500,000.00**

Docket No. 2020-00208, Request for Approval of an Accounting Order for Deferral of Incremental 2019 and 2020 Storm Restoration Costs Pertaining to Versant Power F/K/A Emera Maine.

The PUC denied a portion of Versant's request to collect deferred storm costs from 2019 and 2020.....**\$1,800,000.00**

Docket No. 2021-00019, Bangor Natural Gas, Request for Reorganization to be Acquired by Ullico Infrastructure Fund.

The PUC approved a bill credit for BNG customers as advocated by the OPA ...**\$300,000.00**

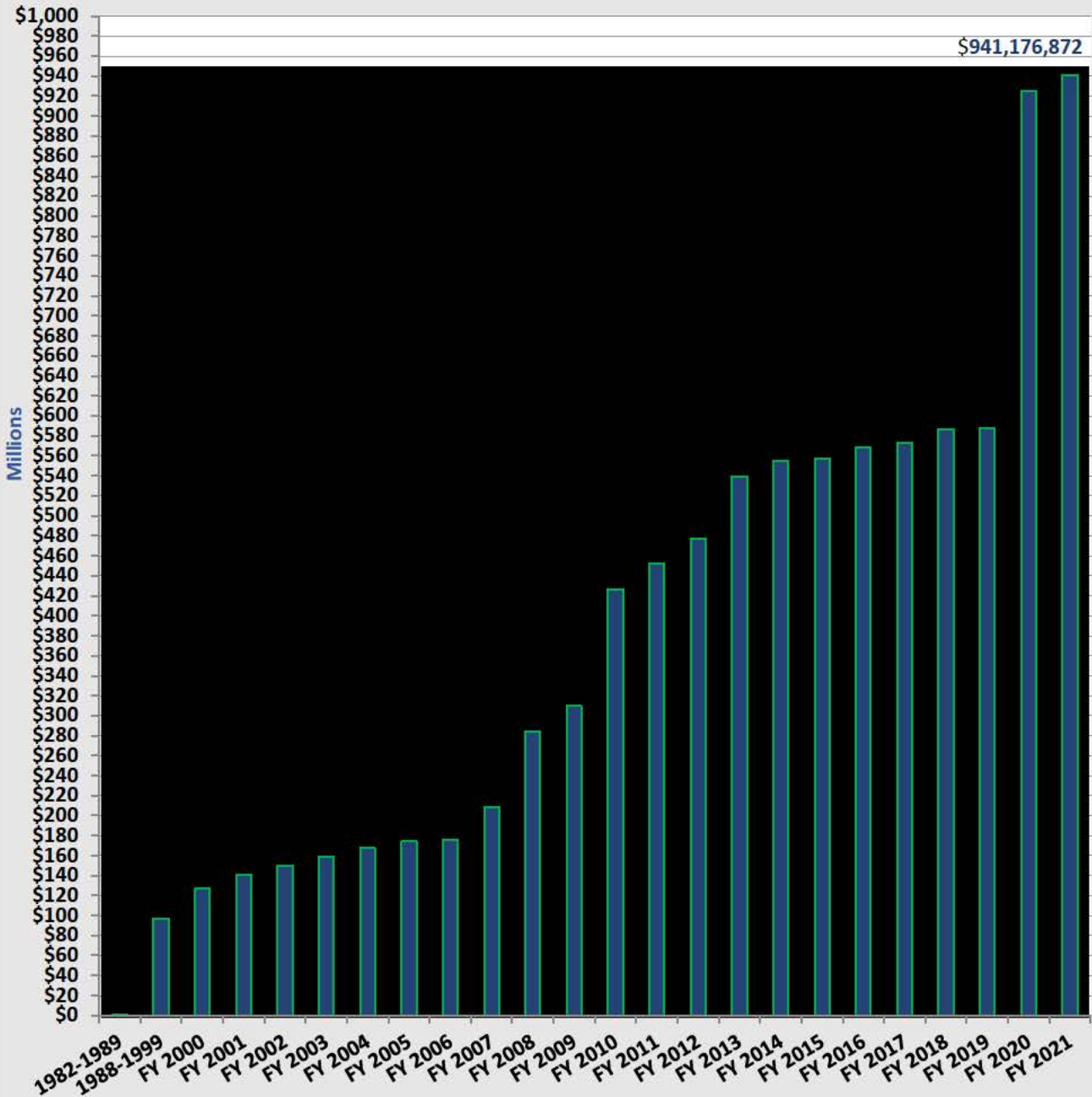
Docket No. 2021-00053, Request for Approval of Rate Increase and Rate Smoothing Mechanism (10/1/21) Pertaining to the Maine Water Company Biddeford & Saco Division

The OPA identified a change in the tax treatment of the proposed rate smoothing mechanism that was ultimately adopted, providing savings to customers**\$650,000.00**

TOTAL SAVINGS FY 2020-2021: \$15,600,000.00

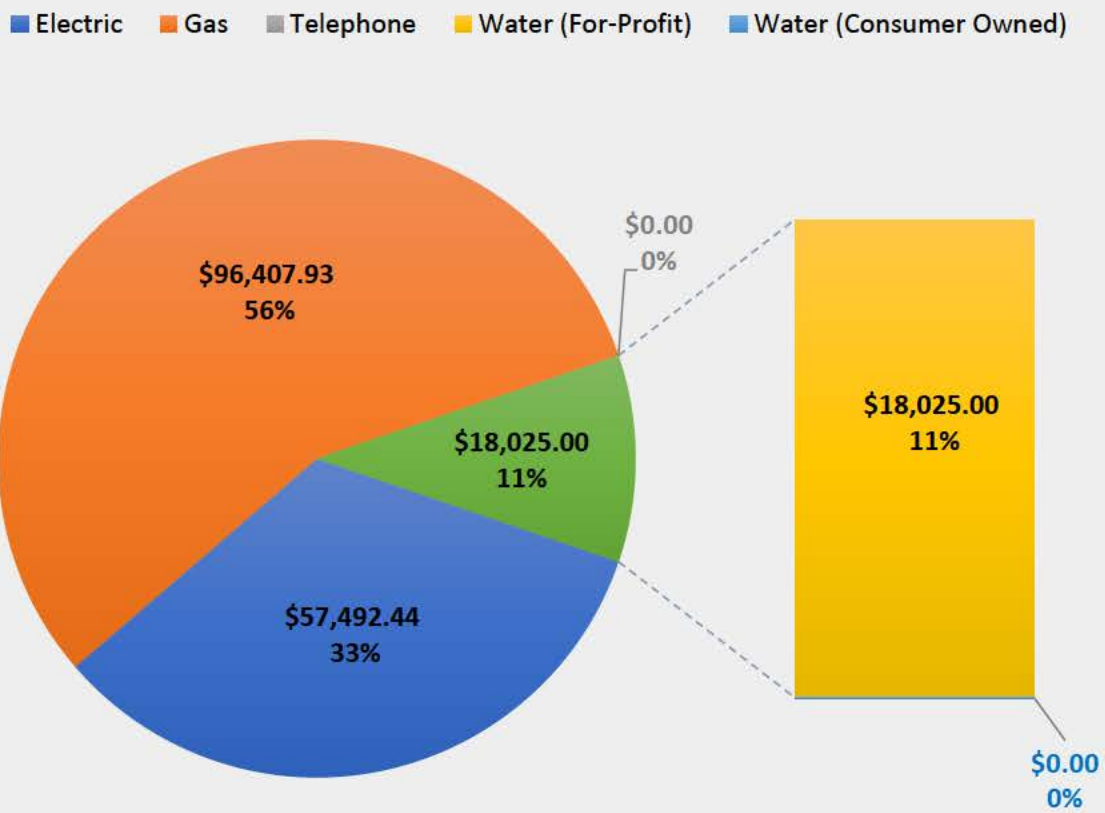
CUMULATIVE RATEPAYER SAVINGS COMPARISON

Cumulative RatePayer Savings ~1988 to 2021

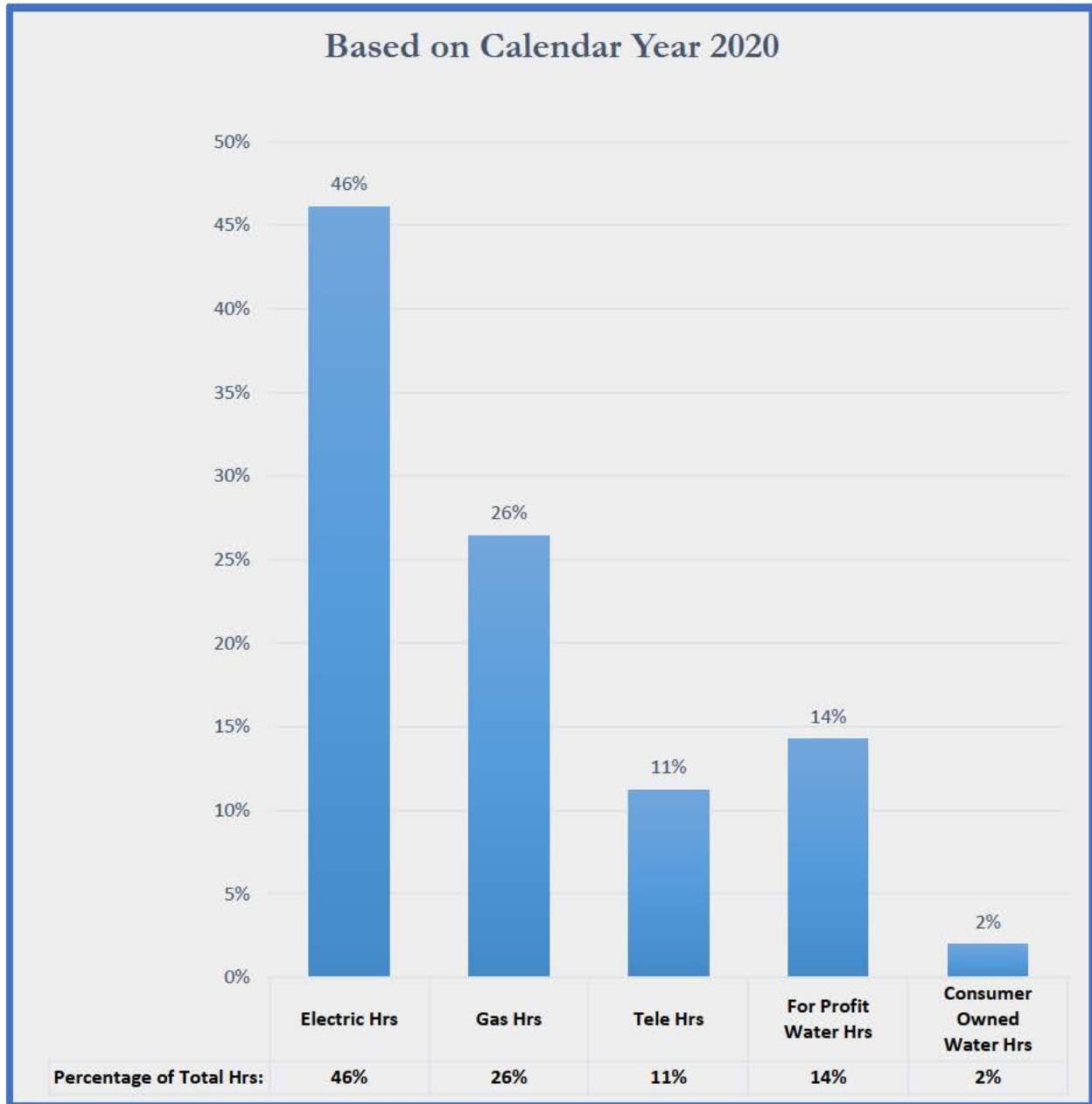


CONSULTANT EXPENDITURES ANALYSIS

FOR CALENDAR YEAR 2020



PUBLIC ADVOCATE STAFF'S HOURLY TIME ANALYSIS



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