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STATE OF MAINE

OFFICE OF THE
PUBLIC ADVOCATE

ANNUAL REPORT

July 1, 2022 - June 30, 2023

Cover Photo: Pumpkin Island Lighthouse, Little Deer Isle, Maine, by Andrew Landry

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Janet T. Mills
 GOVERNOR

William S. Harwood
 PUBLIC ADVOCATE

September 1, 2023

Dear Governor Mills, Chairs Lawrence and Zeigler, 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 providing an overview of our Office's work in the prior fiscal year, including:

- Participation in regulatory proceedings,
- Testifying before legislative committees, and
- Consumer outreach and education.

This Office has pursued its mission for the past 42 years, earning the respect of both customers and regulated utilities.

First and foremost, this is a team effort. I have the great privilege of working with some of the best employees in state government. Under the capable leadership of OPA Deputy Director Drew Landry, our work is handled by four talented lawyers, Susan Chamberlin, Kris Winther, and the recent additions of Brian Marshall and Rich Hevey; our Economic Analyst, recently filled by Jesse Houck; our Consumer Advisor, recently filled by Elizabeth Deprey; our Legislative Analyst, Ben Frech; and our long serving Office Administrator Shareen Thompson. These hard working and talented people deserve most of the credit for our accomplishments this past year.

I am also grateful to many others in state government who work hard every day to support our work and serve Maine utility consumers. Specifically, OPA could not accomplish all it does without help from the Governor's Energy Office, the Public Utilities Commission, and Efficiency Maine Trust. These organizations and their strong leaders, Dan Burgess, Phil Bartlett, and Michael Stoddard are critical to the OPA's work on behalf of ratepayers. And, of course, we all benefit from the strong leadership of Governor Mills and the hard work of her committed staff.

As a state agency, we take direction from the Legislature. We are fortunate that the Committee of jurisdiction, the Energy, Utilities and Technology Committee and its Staff work closely with OPA to support of our efforts and be sure we have the tools needed to successfully advocate for ratepayers.

And I am pleased to report that we were able to do our work this past year without increasing the cost to the State. Our total annual budget of approximately \$3.8M remained flat resulting in no overall increase in the assessments on our regulated utilities. For fiscal year 2023 the approved budget for each of OPA's three operating funds was: Regulatory Fund \$3,786,360, Transmission Fund \$500, and NWAC Fund \$950,000.

PUC CASES

One of OPA's primary responsibilities is representing Maine utility consumers before state and federal regulatory agencies. Our attorneys advocate before the PUC for better rates, better service, and better utility practices, all to benefit residential and commercial customers. This past year, we were stretched to the limit, as CMP, Versant, Summit, Northern Utilities and Maine Water Company all filed major cases seeking large rate increases. Despite this unusual convergence of rate cases, we were able to oppose each request effectively and efficiently and eventually convince the Commission to approve smaller increases, well below what the utilities initially requested.

While there are a variety of ways to measure the success of our work, the most obvious is the amount of money saved for the utility consumers through our work in regulatory proceedings. Advocacy by the OPA this past year saved ratepayers approximately \$42M bringing the OPA's 42-year cumulative ratepayer savings to over \$1B (see page 10).

As important as rates are to ratepayers, our PUC work extends to issues such as: service quality, least cost planning, low income assistance, developing "report cards" grading utilities on the quality of customer service, expanding renewable energy, alternatives to traditional transmission lines and the development of offshore wind.

Our PUC work also involves advocating for Nonwires Alternatives (NWA). In 2019, the Maine Legislature passed a law to implement cost effective alternatives to traditional transmission lines, referred to as Nonwires Alternatives ("NWA"). NWA's are electric utility system investments and/or operating practices that can defer or replace the need for specific transmission and/or distribution projects, at a lower cost to ratepayers (see page 19).

Our work on PUC cases does not end with the PUC's Final Order. OPA is actively involved in representing ratepayers in appeals of PUC decisions to the Maine Supreme Judicial Court (the Law Court). This past year we participated in appellate cases involving: (1) the standard for approving special rate discounts sought by industrial customers; and (2) the required depreciation rates to be used in setting water utility rates.

Finally, our PUC work occasionally requires us to participate on behalf of ratepayers in proceedings before the Federal Energy Regulatory Commission (FERC). Because FERC has exclusive jurisdiction over many issues affecting all NE states, such as ISO-New England's oversight of the regional transmission grid, our attorneys advocate before FERC when needed.

LEGISLATIVE ADVOCACY

The OPA appears regularly before the Legislature, trying to help legislators understand the impact on ratepayers of various legislative proposals under consideration by the Legislature. Under the leadership of our Legislative Analyst, Ben Frech, most of our work is before the EUT Committee, testifying at public hearings, and working with the Committee during work sessions and language reviews.

This past session, we actively worked on approximately 200 bills or almost 10% of all the bills introduced this session. They included issues such as: renewable energy, price stability, the role of natural gas, special rate agreements, renewable energy credits, and customer notices (see page 34).

Approximately 35 of the 200 bills we worked on were enacted into law. The OPA was proud to play an important role in successfully advocating for a \$15M allocation in the State budget to expand low income ratepayer assistance. This is the first time that state taxpayer funds have been added to ratepayer and federal taxpayer funds to support the important LIAP program.

One issue that consumed much of our legislative work was the state policy of net energy billing (NEB) or net metering. This controversial program raises difficult policy questions about how large ratepayer subsidies need to be for solar developers to expand renewable energy and help Maine meet its climate change goals. Our work focused on how to reduce the cost to ratepayers of the subsidy, which we estimate will grow to approximately \$220M/year, without slowing the growth of renewable energy. Although we were unsuccessful in convincing the Legislature to adopt most of our proposed reforms, we will closely monitor this program and look for ways to reduce its impact on ratepayers.

CONSUMER EDUCATION AND OUTREACH

Under the capable leadership of our Consumer Advisor, Elizabeth Deprey, the OPA responds to many consumer's requests for help and assistance and handles approximately 250 calls/month, ranging from CEP pricing to NEB billing issues and energy conservation (see page 37).

The OPA assists customers with questions about their utility bills and issues relating to utility service as well as provides help navigating the Consumer Assistance Division established at the PUC. The OPA also supports the development of programs that help to maximize cost effective energy savings.

A substantial commitment of the OPA's time is devoted to leading the work of the Maine Electricity Ratepayer Advisory Council (ERAC). This 18 member Council, created by the Legislature in 2022, meets regularly, focusing on ways to make electricity more affordable to Maine consumers. ERAC's first Annual Report to the Legislature in December 2022 included 17 specific recommendations for addressing affordability, including more funding for Maine's low-income assistance programs. The OPA actively worked with the Legislature and PUC to implement those recommendations and is currently working on ERAC's next

Annual Report to be filed this December. The OPA has retained the services of Sage Consulting to assist the Council with developing recommendations to be submitted in the report to the Legislature. If you would like more information regarding the Council or access to the Council materials, please visit <https://www.maine.gov/mecpa/reports-and-testimony/council>

As part of our consumer advocacy, the Office has been advocating for expansion and reforms of the State's two primary programs for making electricity more affordable to low-income ratepayers – the Low Income Assistance Program (LIAP) and the Arrearage Management Program (AMP). As our overall cost of electricity for residential ratepayers has reached the unprecedented level of approximately 30 cents/kWh or \$2,000/yr. for a typical residential customer, it is imperative that we expand and strengthen these critical safety nets to provide much needed relief for those who may be facing the impossible choice between paying their utility bills and buying needed food or medicine for their families.

The OPA also has 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.

During the past year, the OPA also actively participated in several other stakeholder groups including the Energy Working Group of the Maine Climate Council, the Offshore Wind Working Group, the Distributed Generation 2.0 Stakeholder Group, Maine Yankee Oversight Group, and the FERC Spent Nuclear Fuel Storage Meetings.

The OPA continues to distribute to legislators, stakeholders, and other interested parties our monthly newsletter, Highlights, which provides updates of the advocacy work of the OPA and summarizes some of the key issues we are working on. The OPA web site continues to be expanded and updated to remain a trusted source for utility information.

It is a great privilege to represent the people of Maine as their Public Advocate. All of our OPA team are pleased and honored to work on behalf of Maine consumers, representing their interests before the Maine Public Utilities Commission, the Maine Legislature, Federal and State courts, and Federal agencies.

We welcome feedback and questions from Maine consumers and their representatives. Our office at 103 Water Street in Hallowell is open during normal business hours and we can be reached by phone at (207) 624-3687 and by email at opa@maine.gov.

Sincerely,

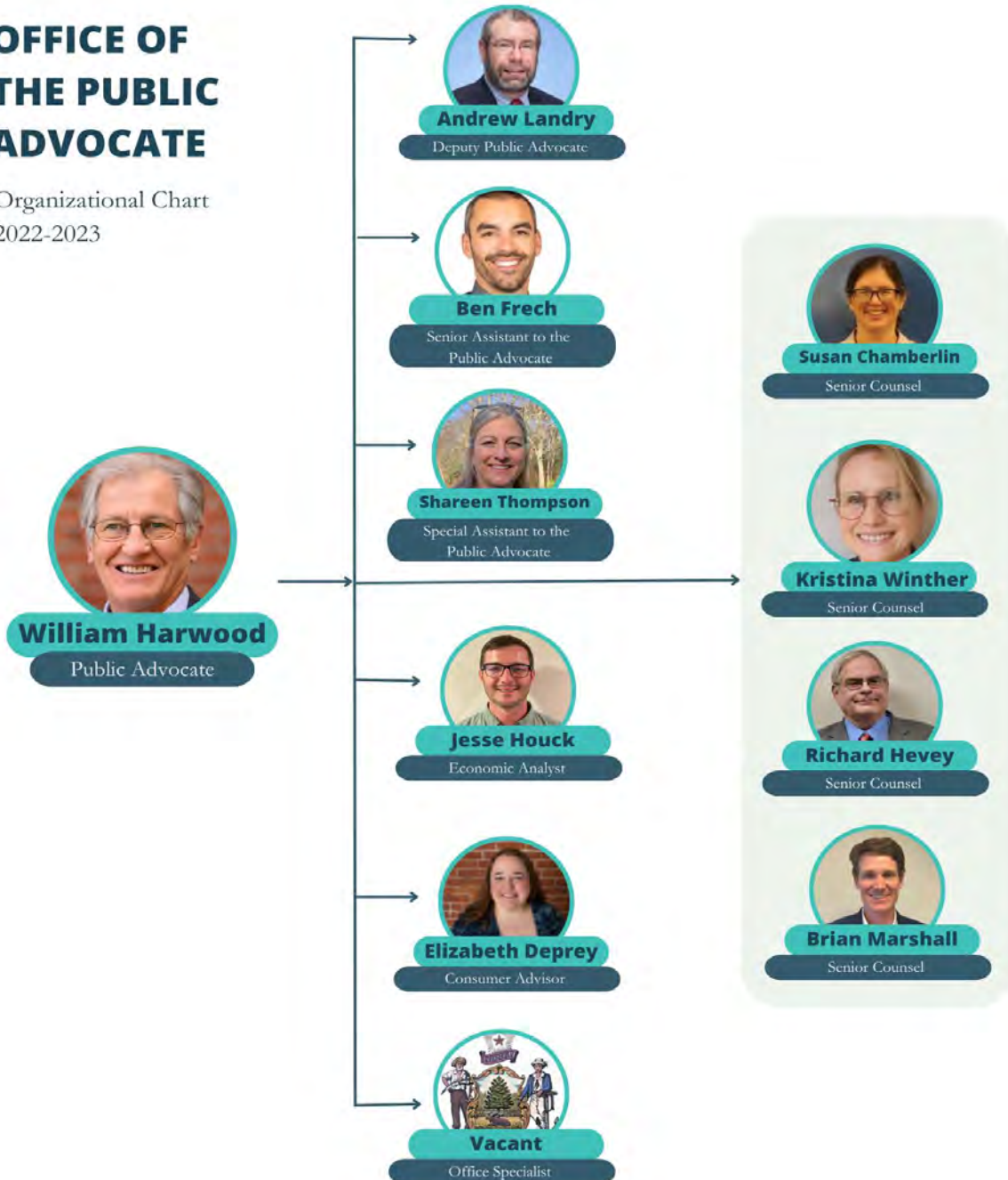


William S. Harwood
Public Advocate

OFFICE OF THE PUBLIC ADVOCATE ORGANIZATIONAL CHART

OFFICE OF THE PUBLIC ADVOCATE

Organizational Chart
2022-2023



RATEPAYER SAVINGS

One of the most important goals of the OPA's work is to save ratepayers money by opposing utility requests for rate increases and unreasonable or excessive utility spending. Our work from July 1, 2022 to June 30, 2023 resulted in savings of approximately \$42M.

Docket No. 2022-00152, CMP Rate Case

The OPA assertively opposed any increased recovery of corporate charges imposed on CMP by its parent companies. CMP withdrew this request, resulting in a \$3 million savings to customers. The OPA also opposed, as an inappropriate entry into the generation business, CMP's proposal to fund an energy storage pilot program that would have cost \$10.4M. In response, CMP withdrew this proposal. Further, the OPA opposed ratepayer funding of an active network management system to benefit generation projects. CMP agreed that to the extent it pursued this project, it would seek the \$2.66 million cost from the generators using the system **\$16,006,000**

Docket No. 2022-00025, Summit Natural Gas Rate Case

On March 31, 2022, Summit Natural Gas of Maine (Summit) submitted a petition for an Alternative Rate Plan (ARP) under which Summit would increase its distribution rates by 30% in year one of the plan, and then have the ability to increase those rates by up to an additional 15% each year in years two through seven. The proposed ARP would have allowed Summit to recover 48% of its asserted revenue deficiency, i.e., \$19 million, by the conclusion of the seven-year term. The OPA challenged the terms of Summit's proposed ARP, which ultimately resulted in a settlement agreement under which the PUC approved an overall increase of 33%, through the following individual compounding rate increase: (1) 12% percent above then existing rates on July 1, 2023; (2) an additional 9% effective May 1, 2024; and (3) a final increase of an additional 9% effective May 1, 2025. The total 33% rate increase set forth in the settlement agreement equals approximately \$5.8 million, as compared to the initial overall rate increase of approximately \$16.2 million sought by Summit, representing a total ratepayer savings of **\$10,400,000**

CMP Limerick Substation Project

The NWA Coordinator reviewed CMP's study assumptions and models for CMP's proposed solution. During the review, an alternative solution using existing inventory was identified that addressed the issue of overloading during normal operations. **\$5,000,000**

CMP Section 113 Transmission Line in the Sanford Area

The NWA Coordinator determined that overload conditions identified by CMP would only occur as a result of Distributed Energy Resources (DER) interconnection. As a result, the costs of upgrades will not be charged to ratepayers. **\$5,400,000**

CMP Section 76 Transmission Line in the Lewiston Area

The NWA Coordinator identified a means to reduce existing overloads on Section 76 that allows continued line operations deferring the timing of a complete line upgrade by three to ten years, resulting in an estimated average savings of.....**\$3,000,000**

Docket No. 2022-00255, Versant Power Rate Case

The OPA argued in this proceeding to lower the depreciation rates to a level below that proposed by Versant Power as well as the expert retained by the PUC, resulting in a lowering of the annual revenue requirement by.....**\$936,000**

Docket No. 2023-00039, CMP Stranded Cost Rate Case

The OPA disputed CMP's proposal to recover the full value of expiring net energy billing credits, rather than including them in the calculation of CMP's bad debt expense as it had done in prior years. To resolve the issue, the OPA and CMP entered into a Stipulation that lowered the Company's revenue requirement by.....**\$314,552**

Docket Nos. 2022-00056, 57, 58, 59, Maine Water Company Rate Cases

The OPA argued that MWC shouldn't be allowed to recover the significant management fees that it pays on behalf of its ten Divisions to new parent company, the San Jose Water Group. The PUC denied recovery of \$400K of those costs, agreeing with the OPA that MWC had not shown the costs were reasonable and that they weren't higher than management costs would've been without SJWG. For these four Divisions (Camden & Rockland, Freeport, Millinocket, and Oakland), this was a savings of \$145,582 for customers. The PUC agreed with the OPA regarding changes in the way MWC calculates its cash working capital, lowering the annual amount collected by \$53,243. The PUC also agreed with the OPA in the way carrying charges on the Tax Cuts and Jobs Act funds are recorded and compounded, adding \$116,113 to the amount to be refunded.....**\$314,938**

Docket No. 2023-00075, Versant Annual Revenue Decoupling Adjustment

Versant Power's revenue decoupling mechanism (RDM) allows the Company to adjust distribution rates outside of a normal rate case. Through the RDM, estimated sales levels are compared to Versant Power's actual sales levels for each year. Differences between the estimates and the actual sales, positive or negative, are then used to determine the annual RDM adjustment. The OPA disagreed with Versant's inclusion of the months November 2021 and December 2021 in true-up calculation. Including these months would have resulted in a smaller amount returned to ratepayers compared with an adjustment limited to the 2022 calendar year. Under the settlement agreement between the OPA and Versant, as approved by the PUC, there will be a split (50%-50%) the value of the adjustment resulting from those two months. This represents a ratepayer benefit of approximately.....**\$307,000**

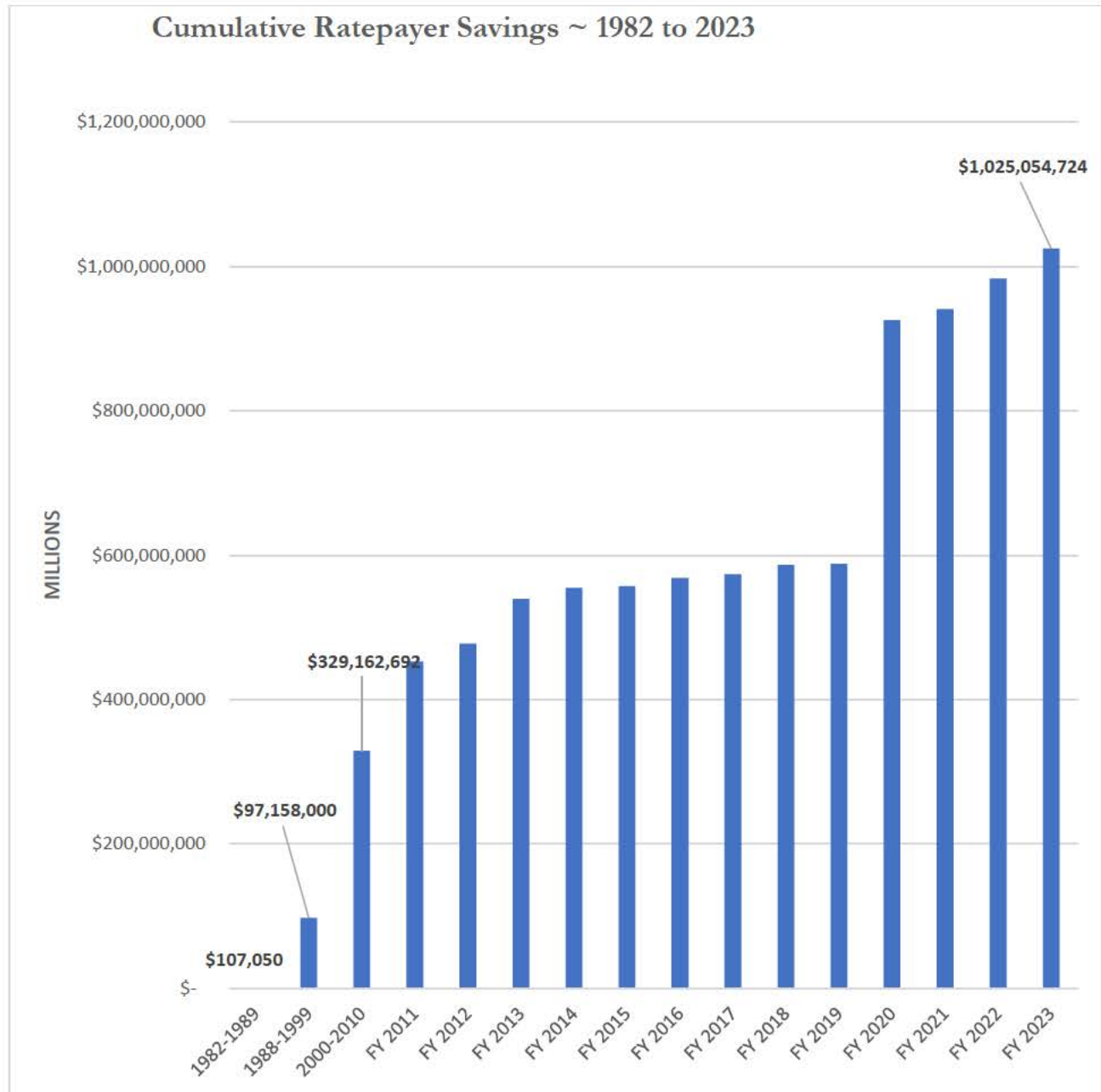
Docket No. 2022-00119, Bangor Natural Gas Reservation Costs

On May 2, 2022, Bangor Natural Gas Company (Bangor Gas) filed a request with the PUC to recover its reservation costs associated with the Westbrook Xpress Projects that were due go into operation on November 1, 2022. Bangor Gas proposed to recover \$5,690,447.46 for the period of November 1, 2022 through October 31, 2022. After questioning by the OPA regarding the costs, Bangor Gas agreed to reduce the amount it was seeking to recover to \$5,480,011.91. This agreement was set forth in a stipulation which was approved by the PUC by Order dated September 20, 2022, for a total ratepayer savings of..... **\$210,436**

Solar Settlement Agreements

After receiving numerous complaints from customers enrolled in solar subscriptions under Maine's net energy billing rules, the OPA sent notices to two solar companies identifying violations of Maine's consumer protection rules that apply to subscription solar projects. The OPA entered into settlement agreements requiring the solar companies to issue refunds to their customers and to issue a new notice to existing customers, providing them the option to cancel their accounts without incurring additional charges. In addition to these two settlement agreements, the OPA has assisted customers in resolving billing disputes with solar companies and is often able to secure bill reductions or refunds for customers. Customers have benefitted from bill reductions and credits that the OPA has not yet quantified. Refunds secured to date total approximately..... **\$50,000**

TOTAL SAVINGS FY2023: \$ 41,938,926

CUMULATIVE RATEPAYER SAVINGS COMPARISON

ELECTRICITY

OPA Contests CMP Request for a Distribution Rate Increase, Docket No. 2022-00152

Central Maine Power Company filed a request for an increase in its distribution rates on August 11, 2022. CMP proposed three annual increases of \$47.7 million in mid-2023, \$27.7 million in mid-2024, and \$23.4 million in mid-2025. Collectively, these would have represented an increase of over 30% in CMP's distribution rates.

Among the largest drivers of this large request was a proposed capital investment plan that would involve major reconstruction of significant portions of CMP's distribution system, a proposed increase in CMP's allowed cost of capital, and an increase in charges to CMP by its corporate parent companies. In its initial filing, CMP presented fifteen panels of witnesses, one of the most voluminous filings made in recent memory.

The OPA vigorously challenged CMP's request. The OPA retained experts in the areas of utility cost of service, cost of capital, and rate design, as well as experts to address charges by its corporate parent companies, CMP's management practices, capital planning, and proposed rate adjustment mechanisms. The OPA also challenged the lawfulness of CMP's proposed rate adjustment mechanism.

In its initial testimony filed on December 2, 2022, the OPA recommended that the first step of CMP's proposed increase be cut approximately in half and that the second and third steps be denied. The major drivers for the OPA's proposed reduction were a lower recommended return on equity; reductions in the requested recovery of charges by CMP's parent companies; a reduction in CMP's payroll expense; a reduction in CMP's proposed allowance for uncollectible expense; and a reduction in CMP's request for a general increase related to inflation.

On January 20, 2023, the OPA filed a Motion to Dismiss CMP's multi-year rate plan proposal. In the Motion, the OPA argues that CMP's rate plan proposal is contrary to established standards of traditional ratemaking and should be dismissed as a matter of law. The OPA argued that the rate plan would shift risk from CMP to customers, who would be responsible for paying for any mismanagement or inefficiencies in CMP's operations during the term of the rate plan. The OPA also argued that CMP's proposed plan includes no service quality standards or incentives, meaning CMP's automatic rate increases would not depend on maintaining service quality. Prior rate plans approved by the PUC included incentives to control costs; shifted risk of mismanagement and inefficiencies to the utility and away from customers; and included service quality metrics to ensure that the utility's service quality did not degrade during the rate plan. In fact, the PUC dismissed a very similar rate plan proposal from CMP in 2013 on similar grounds.

On February 17, 2023, PUC granted another request filed by the OPA asking that CMP be required to file corrected notices to customers of the proposed increase. The OPA argued that CMP's ratepayer notice was misleading because it failed to include the full rate impact of

the Company's proposed capital adjustment mechanisms. As requested by the OPA, the PUC ordered CMP to send a new ratepayer notice, at shareholder expense.

Also as requested by the OPA, the PUC scheduled so-called "public witness" hearings in the CMP rate case to provide members of the public the opportunity to comment on the proposed rate increase. Hearings were held during April in Lewiston, Hallowell, and Saco and included a remote participation option for those not able to attend in person. The hearings were well attended and representatives of the OPA were at each hearing.

After weeks of negotiations, in June a settlement was agreed to and filed with the PUC to resolve CMP's rate request. The settlement represented a significant reduction from CMP's initial request. It called for an increase of approximately \$16.75 million on July 1, 2023, and additional step increases of the same amount on January 1 and July 1, 2024, and January 1, 2025. The increase on July 1, 2023, translated into a total overall bill increase of approximately 1.08% for CMP customers, or about \$1.67 per month for an average residential customer using 550 kilowatt hours per month.

CMP had also requested approval to defer the cost of certain investments for later recovery, which would have contributed to even larger rate increases over the next two years. These deferral requests were eliminated as part of the settlement agreement. The settlement also included a provision that could result in financial penalties on the company if certain service quality levels are not achieved.

CMP's initial request had also proposed significant increases related to charges imposed on it by its parent company. The settlement provided for no increases related to parent company charges.

The settling parties included a broad spectrum of consumer interests. In addition to the OPA, the parties included, AARP Maine, Competitive Energy Services, Efficiency Maine Trust, Walmart, Nicholas Alexander, and the International Brotherhood of Electrical Workers Local #1837. The Commission approved the settlement by Order dated June 6, 2023.

One of the key benefits of the settlement was the deferral of a large portion of the increase originally proposed for summer 2023 until January 2024. At that time, it is anticipated that the standard offer price will drop significantly due to a decline that has occurred in worldwide energy commodity prices.

OPA Challenges Versant Power Request for a Distribution Rate Increase, Docket No. 2022-00255

On October 3rd, Versant formally requested a \$33.5 million rate increase, which would have represented a 34% increase in its distribution rates. The increase was based on projections that the company would substantially increase its capital spending compared with recent years, as well as a proposed higher cost of capital.

After carefully investigating the filing, on December 16, 2022, the OPA filed its case in opposition. The OPA's witnesses testified that Versant's increase should be cut roughly in half to around \$17 million based largely on reducing the company's capital program. The OPA expressed concern that undertaking so many projects at once may be unrealistic. For instance, the company experienced delays in its recent deployment of new metering equipment. The OPA's witnesses also recommended reducing the allowed return on equity (or shareholder profit) from Versant's proposed 9.35% to 8.83% and reducing the amount of equity included in the company's capital structure.

As in the CMP rate proceeding, the PUC scheduled public witness hearings to provide members of the public the opportunity to comment on the proposed rate increase. Hearings were held during March in Bangor and Presque Isle and included a remote participation option for those not able to attend in person. Dozens of customers attended each hearing, as did Deputy Public Advocate Drew Landry.

An evidentiary hearing was held on April 26. Following the hearing, the parties worked to reach a negotiated settlement, which culminated with the filing of a settlement agreement with the PUC on May 18, 2023.

The settlement provided for an increase of approximately \$15.1 million on July 1, 2023 and a second step increase in January, 2024 of the same amount. This translates into a total overall bill increase of approximately 4% for each step for Versant customers, or a little over \$5.00 per month for an average residential customer using 500 kilowatt hours per month. In addition to the OPA and Versant, the settlement was supported by AARP Maine, Aroostook Energy Association (representing some northern Maine businesses), Efficiency Maine Trust, and Walmart.

The settlement provides a significant benefit to customers by deferring half of the increase until January, when we're anticipating a meaningful decrease in standard offer rates, as well as competitive supply rates, due to the recent drop in worldwide natural gas prices. Such a two-step increase would not have been possible if the case had been fully litigated and decided by the PUC Commissioners.

A major driver of the company's requested increase had been its significant capital investment program. Versant asserted that it has made these investments to improve customer service, including a substantial investment in a new metering system. To help ensure that such benefits are realized, the settlement includes a provision that could result in financial penalties for Versant if certain service quality levels are not achieved. In addition, the settlement agreement requires the company to provide an analysis of the benefits provided by its new metering system before any additional investment related to this system is allowed to be included in rates.

Settlement Results in Greater Revenue Decoupling Mechanism Credits for Versant Customers, Docket No. 2023-00076

The PUC approved a settlement agreement between OPA and Versant Power that reduced distribution rates for Versant Power customers on July 1, 2023. Versant Power's revenue decoupling mechanism (RDM) allows the Company to adjust distribution rates outside of a

normal rate case. Through the RDM, estimated sales levels are compared with Versant Power's actual sales levels for each year. Differences between the estimates and the actual sales, positive or negative, are then used to determine the annual RDM adjustment. Versant Power had originally sought to return \$1,614,438 to customers as a result of the RDM for period from November 2021 through December 2022. Under the settlement agreement between the OPA and Versant Power, the Company will instead return to customers a total of \$1,992,218. This is a rate reduction of approximately \$0.70/month for a typical residential customer of Versant Power.

OPA Requests Bill Credit for Versant and CMP Low-Income Customers to Offset High Standard Offer Prices, Docket No. 2022-00350

On December 9, 2022, in response to increases in the standard offer prices for CMP and Versant customers scheduled to go into effect on January 1, 2023, OPA filed an emergency petition for approval of a one-time bill credit of \$75 for qualifying low-income customers. The credit would have approximately offset the \$25/month increase in standard offer prices for the three-month winter period. On December 20, 2022, the PUC denied the petition stating that the PUC does not have the authority to grant the proposed bill credits.

OPA Challenges New Regional Rules on Fuel Inventories, FERC Docket No. ER23-1588

On April 28, the OPA filed a challenge with the Federal Energy Regulatory Commission (FERC) regarding ISO New England's updated Inventoried Energy Program. The OPA's challenge was made jointly with the Massachusetts Attorney General's Office, the Connecticut Consumer Counsel, and the New Hampshire Consumer Advocate. Separate comments opposing the ISO filing were made jointly by the Conservation Law Foundation, the Union of Concerned Scientists, and the Sierra Club.

Under the Inventoried Energy Program, utility customers pay supplemental amounts to electric generators, such as oil-fired units, to ensure that they maintain on site fuel supplies during winter months. The program was initiated several years ago in response to concerns about system reliability during the winter. In their challenge, the consumer advocates argued that the modified compensation structure shifts substantial risk to ratepayers.

Recent analysis by the ISO suggests that the program does not make a significant contribution to maintaining reliability. Notwithstanding this conclusion, ISO New England proposed to increase the compensation paid to generators this coming winter.

On August 4, 2023, FERC issued an Order approving ISO New England's filing, rejecting the Protests of the OPA and other opponents. The ISO has expressed its intent to implement the program immediately.

OPA Challenges CMP's Proposed Recovery of More Than \$115 Million in Storm Costs, Docket 2023-00038

On March 31, Central Maine Power made its annual filing for recovery of various expenses that it is allowed to reconcile in its rates. The single largest item for which it is requesting recovery this year is approximately \$115 million, including \$90 million of service restoration arising from two major storms in December 2022. CMP proposes to recover these costs over a two-year period beginning in July. However, because the recovery of the costs of several large storms from previous years will be completed when new rates go into effect, the net rate increase is only \$6.7 million.

The OPA asked for the opportunity to file testimony addressing whether a portion of the incremental storm costs were imprudently incurred and should be disallowed. For instance, the OPA believes that a portion of the costs may be unnecessary because the number of external contractors employed to respond to storms may be greater than required.

Following discovery and negotiation, the OPA reached agreement with CMP that resulted in a slight reduction of rates related to storm recovery costs effective July 1, 2023, which was approved by the PUC. To address the OPA's concerns, under the settlement, the case will remain open to investigate the prudence of CMP's storm costs.

OPA Obtains Reduction in CMP Stranded Cost Rate Request, Docket No. 2023-00039

On March 31, 2023, CMP filed a request to increase its stranded cost rates of about \$159 million for the 2023-24 rate period. "Stranded costs" is the term used to describe amounts incurred by transmission and distribution utilities like CMP to fund various public policy initiatives, such as long-term contracts with renewable power projects.

CMP projected that its stranded cost revenue requirement for the 2023-24 rate period to be \$61.5 million. A large portion of this amount provides recovery of the cost of community solar and net energy billing programs. However, because stranded cost rates during the 2022-23 period were negative and because rates failed to fully recover stranded costs during that period, the year to year increase is much larger.

After carefully reviewing the details of CMP's calculations, the OPA negotiated a settlement that reduced CMP's stranded cost rate increase by \$10 million. This reduction was achieved by assuming slower development of community solar projects than assumed in the CMP filing.

OPA Wins Reduction in Versant Stranded Cost Rate Request, Docket No. 2023-00076

On March 31, 2023, Versant filed updated stranded cost rates to become effective on July 1, 2023. For the Bangor Hydro District, the request was for an increase of \$45 million. For the Maine Public District, the request was for an increase of \$10.2 million.

As in the CMP stranded cost proceeding, a meaningful portion of the rate increase resulted from the under recovery of stranded costs over the previous year. Also as in the CMP proceeding, the major driver of the increase in current stranded costs is the large increase in costs relating to community solar and net energy billing.

After carefully reviewing the details of Versant's calculations, the OPA negotiated a settlement that reduced stranded costs rates from those proposed by the company. In particular, at the OPA's request, Versant agreed to defer until 2024 recovery of the under recovered stranded costs from the 2022-23 period. This allowed the increase in stranded cost rates to be reduced to \$26 million in the Bangor Hydro District and \$5.9 million in the Maine Public District.

The OPA Seeks Revocation of Electricity Maine's License to Operate as a Competitive Energy Provider Over Multiple Violations of Consumer Protection Rules, Docket No. 2023-00024

In March, the OPA filed a formal complaint against Electricity Maine alleging multiple violations of Title 35-A and Chapter 305 of the Commission's rules. The OPA alleges 13 different violations, including allegations that Electricity Maine engaged in unfair and deceptive trade practices and that Electricity Maine failed to adequately notify its customers or obtain their express consent prior to transferring them to variable rate contracts that, in some cases, resulted in customers paying three times the price previously charged and more than double the standard offer rate in effect.

Given the seriousness of the violations, and the fact that the Maine Commission has previously found that Electricity Maine willfully violated consumer protection rules, the OPA has requested that the Commission revoke Electricity Maine's license to operate as a competitive energy provider and impose the maximum administrative penalties allowed by law.

The OPA Reaches Settlement Agreements with Two Solar Companies Over Violations of Consumer Protection Rules

After receiving numerous complaints from customers enrolled in solar subscriptions under Maine's net energy billing rules, the Office of the Public Advocate sent notices to two solar companies identifying violations of Maine's consumer protection rules that apply to subscription solar projects. The rules require that if a customer contacts a solar company within five days of receiving their first bill or invoice from a solar company, they are entitled to cancel their agreement without paying any additional charges beyond the first bill. The rules also require that the company disclose this right in the first bill sent to the customer.

The two solar companies were not allowing customers who called within the five-day window to cancel their contracts immediately but were instead informing customers that their contracts could take up to 90 days to cancel. The OPA entered into settlement agreements requiring the two solar companies to issue refunds to their customers and to issue a new notice to existing customers, providing them the option to cancel their accounts without incurring additional charges. The two settlements benefitted hundreds of solar subscription customers and resulted in tens of thousands of dollars of refunds and waived charges.

Utility Service Quality Reports Are Coming Soon, Docket No. 2022-00279

Starting next summer, CMP and Versant will be required to meet service standards and send to the public report cards on their success in meeting these standards. The first report card will be sent to consumers by June 1, 2024, for the 2023-year performance. It will include three reliability metrics; customer service metrics, billing performance metrics; and customer satisfaction survey results. These benchmarks are based on a utility's five-year performance average from 2018-2022. The Commission will review the benchmarks after three years to determine if the benchmark continues to reflect an objective reliability goal for each utility. As each utility implements reliability improvements over time, the benchmark may be adjusted to reflect movement towards greater reliability. The new report cards are due to Maine's 2022 legislation, "Act Regarding Utility Accountability and Grid Planning for Maine's Clean Energy Future" (P.L. 2021, ch. 702). The law requires the Commission to set utility service standards and provide report cards to consumers with data on utility performance.

Offshore Wind Research Array Contract Negotiations, Docket No. 2022-00100

To support Maine's participation in offshore wind energy production, Maine passed into law LD 336, P.L. 2021, Chapter 327 (Chapter 327), An Act to Encourage Research to Support Maine Offshore Wind Industry, (the Act). The Act supports a proposal by New England Aqua Ventus (NEAV) to develop a research array using the University of Maine's patented floating platform technology (VoluturnUS) for offshore wind turbines. As a result of the law, NEAV petitioned the Public Utilities Commission to approve a long-term power purchase agreement (PPA) "if the Commission determines the contract furthers the objectives of the Act and is in the public interest." The Act further provides that the Commission "shall invite the Office of the Public Advocate, the Governor's Energy Office and transmission and distribution utilities to participate in negotiations." The Act directs the parties to "determine the lowest reasonable cost to ratepayers, that is sufficient to enable the financing, construction and operation of the research array" by NEAV "in a manner that is consistent with the lease issued by the federal Department of the Interior, Bureau of Ocean Energy Management and any final agreement" between NEAV and the State. The OPA is participating in negotiations of the PPA, emphasizing that the PUC must do everything reasonably possible to minimize the ratepayer subsidy of the project without jeopardizing the important research to evaluate whether to go forward with future offshore wind projects.

Proceeding To Identify Priorities for Grid Plan Filings, Docket No. 2022-00322

During its 2022 session, the Legislature enacted An Act Regarding Utility Accountability and Grid Planning for Maine's Clean Energy Future, Public Law 2021, ch. 702 (Act). Under the Act, the PUC is required to identify priorities for the grid planning of Maine's two investor-owned electric transmission and delivery (T&D) utilities – Central Maine Power and Versant Power. The plans must assist the cost-effective transition to a clean, affordable, and reliable electric grid. The Act requires the Commission to hold technical conferences or stakeholder workshops before the utilities submit their filings to identify priorities, assumptions, goals, methods, and tools that will assist the utility in developing its grid plan filing.

Through its participation in this docket, the OPA is emphasizing that reliability at an affordable cost must remain a top priority for grid planning. Grid design must recognize that grid investments are only one option for responding to load growth. Rate design changes, technological advances in system management, energy efficiency investments, and targeted distributed energy resource (DER) development also accommodate load growth. Grid design must be integrated and comprehensive, assessing all options for meeting system needs. This includes consideration of cost allocation for grid enhancements to ensure that those who benefit most from an investment bear the costs of the investment.

PUC Improves the Service Quality and Customer Service Standards for T&D Utilities, Docket. No. 2022-00052

After holding a public hearing and reviewing comments from the OPA and other interested parties, the Commission has approved substantial modifications to the Electric Transmission and Distribution (T&D) Utility Service Standards. The PUC has changed the metrics that are used to track performance. The OPA argued that the standards should not create an opportunity for the utilities to collect more money. The Commission adopted the OPA's position, declining to give the utilities the incentives they requested for positive performance, stating that the purpose of the performance standards is to establish minimum requirements. The utilities will be required to file quarterly reports with a monthly breakdown of their performance on the metrics, and also provide an annual plain language "report card" of how they are doing to residential customers.

The PUC Allows the T&D Utilities to Share Additional Customer Data with Lawrence Berkeley National Laboratory (LBNL), Docket No. 2022-00009

In April 2022, the PUC gave Central Maine Power and Versant Power waivers to share data with LBNL about customers who use rooftop solar to provide electricity, after the utilities created non-disclosure agreements (NDAs) that would be signed by LBNL describing the safeguards that would be in place to protect this information. On February 21, 2023, the utilities notified the PUC that LBNL has requested more information, this time about customers who have contracts with community solar providers. The OPA expressed concerns that some of the data to be shared involve customer participation in federally funded low-income programs and some are details of the contracts between customers and rooftop solar providers. On June 22, 2023, the PUC approved new NDAs between LBNL and the T&D utilities that expanded the amount of customer information to be shared with LBNL but adopted the OPA's recommendation that this not include information relating to whether a customer is enrolled in a low-income bill assistance or other program.

PUC Leaves the Budget Unchanged for the Statewide Low-Income Assistance Program (LIAP), Docket No. 2023-00056

On March 13, 2023, the PUC requested comments on maintaining the current funding amount of \$15,000,000 for LIAP for the upcoming 2023-2024 Program Year. LIAP provides electric bill credits to qualified low-income customers. On March 21, 2023, the OPA filed comments asking, instead, that the funding be raised to \$25,000,000 because the current funding amount (1) does not provide sufficient funding for those currently enrolled in LIAP to reduce their energy costs to 4% of their income (the "affordability target"), and

(2) does not include sufficient funding to extend benefits to those ratepayers who need financial assistance to meet the affordability target but have not yet enrolled in the LIAP program. However, on March 28, 2023, the PUC announced that the funding will not be increased due to lower than expected participation in the 2022-2023 Program Year and because funding for the program comes from rates collected from customers. The funding amount could be revisited, however, depending on demonstrated need.

OPA Opposes Versant’s Request to Exclude Smart-Meter Opt-Out Customers from the Time of Use (TOU) and Net Energy Billing (NEB) Programs, Docket No. 2022-00287

On September 8, 2022, Versant Power asked the PUC for permission to exclude customers who decided they did not want a communicating digital meter (“smart meter”) from the TOU and NEB programs. The OPA opposed this request, arguing that it is important to have consistency for similarly situated electric customers (Central Maine Power does not exclude their opt-out customers from these programs.) Further, to the extent possible all programs should be available to customers unless there is evidence that this would cause harm, and there is no reasonable alternative to treating customers differently that could mitigate the harm. On June 7, 2023, the PUC ordered that Versant could prohibit advanced metering infrastructure (AMI) opt-out customers from participating in the Company’s time of use (TOU) rates unless that customer pays for an additional monthly meter read. But the Commission rejected Versant’s proposal to prohibit AMI opt-out customers from participating in Net Energy Billing (NEB) cascading billing arrangements.

NONWIRES ALTERNATIVES

In 2019, the Legislature enacted LD 1181 “An Act to Reduce Electricity Costs through Nonwires Alternatives,” as PL 2019, ch.298. The law directs the 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. The 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. 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 using NWAs. Specifically, DNV performs a detailed technical review of CMP’s and Versant’s Annual Planning Studies to identify which projects are most likely to support an NWA, 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.

Throughout the year, the OPA, NWA Coordinator and EMT analyze utility projects to find cost effective alternatives. The NWA Coordinator screened 13 projects between July 2022-June 2023. The NWA Coordinator reviewed the utility data for overall completeness of the project list, made findings as to incomplete data, and analyzed the utility’s methodology for arriving at its proposal. After this initial screening, the NWA Coordinator completed a

detailed analysis on six projects. These NWA analyses resulted in \$12.8 to \$14M in ratepayer savings over the lifetime of the projects. Below is a list of projects with identified savings for ratepayers.

1. CMP's substation project in Limerick. Ratepayer savings are estimated to be \$5,000,000.

CMP determined a substation transformer was becoming overloaded during periods of highest summer use. The system had insufficient back-up capability if a transformer failed. The NWA Coordinator reviewed CMP's study assumptions and models for CMP's proposed solution to determine if a more cost-effective NWA was available. During the review, CMP found an alternative solution using existing inventory that could more quickly and cost-effectively address the current overloading during normal operations. The only cost was the additional labor to install a backup transformer.

2. CMP's transmission line in the Sanford Area, (Section 113). NWA Ratepayer savings are estimated to be \$5,400,000.

CMP conducted a cluster study in the Sanford Area to measure the impact of Distributed Energy Resources (DER) proposed for interconnection. CMP identified a system overload condition. Upon reviewing the assumptions used in the cluster study, the NWA Coordinator determined that the overload would only occur after DER interconnection. Therefore, ratepayers were not responsible for the upgrades needed for DER in this area.

3. CMP's transmission line in the Lewiston Area, (Section 76). NWA Ratepayer savings are estimated to be \$2 – \$3.5 million dollars.

The NWA Coordinator determined that there is a technically feasible and cost-effective NWA to reduce existing overloads on Section 76. The NWA will allow continued line operations until a complete line upgrade takes place. The NWA saves ratepayers \$2,377,208 to \$3,578,865 based on the deferral of the revenue requirements for three to ten years.

This past session, the Legislature passed LD 1887, (Public Law 2023, Chapter 355) "An Act to Clarify the Review and Procurement Process for Nonwires Alternatives." The law clarifies and updates the laws authorizing NWA review of utility infrastructure projects and clarifies that utility substation projects are included as infrastructure projects which must undergo a review. The NWA review will analyze the substation project in the same manner it reviews T&D wires projects, which fall under the statute and the NWA Coordinator will review the intended purpose of the substation project and assess whether there are less expensive means of meeting the system need. It also updates the terms used, eliminating the phrase "nontransmission alternative." The phrase "Nonwires alternative" is now used in relation to T&D projects, including substations.

OTHER ELECTRICITY CASES

Commission Initiated Investigation into Stranded Cost Rate Design, Docket No. 2022-00160

Commission Initiated Inquiry into Competitive Procurement Methods of Transmission and Distribution Utilities, Docket No. 2022-00189

Investigation Re Management & Sale of Transmission & Distribution Supply Portfolios, Docket No. 2022-00221

Versant Power Request for Approval of Tariff Revision (8/12/22), Docket No. 2022-00226

Versant Power Request for Approval of An Advisory Ruling Pertaining to Versant Power, Docket No. 2022-00230

Central Maine Power Request for Approval Regarding Nordic Aquafarm Project Pursuant To 35-A MRSA Sec 3132-A, Docket No. 2022-00236

Versant Power Request for Approval of Tariff Revision-LIAP, Docket No. 2022-00241

Central Maine Power Request for Approval of Section 1 Rebuild Pertaining to Central Maine Power, Docket No. 2022-00244

Central Maine Power Request for Approval of LIAP Terms & Conditions, Docket No. 2022-00248

Commission Initiated Investigation into Utility Service Quality Standards Pertaining to CMP & Versant, Docket No. 2022-00279

Request For Approval of An Accounting Order Pertaining to Versant Power, Docket No. 2022-00280

Commission Initiated Inquiry into The Process to Identify Priorities for Grid Plan Filings, Docket No. 2022-00290

Commission Initiated Rulemaking - Amendments to Intervenor and Participant Funding Rule Chapter 840, Docket No. 2022-00299

Request For Recovery of Increased Costs Pertaining to Maine Power LLC, Docket No. 2022-00301

Madison Electric Works Request for Approval of Special Rate Contract with Go Lab Madison Pertaining To Madison Electric Works, Docket No. 2022-00307

Commission Proceeding to Identify Priorities for Grid Plan Filings, Docket No. 2022-00322

Commission Initiated Inquiry Regarding Annual Expenditures of Investor-Owned T&D Utilities, Docket No. 2022-00323

Request For Approval of Tariff Revision (LIAP) Pertaining to Central Maine Power, Docket No. 2022-00327

Request For Approval of Tariff Revision for Transmission Rate Change Pertaining to Central Maine Power Company, Docket No. 2022-00328

Isle-Au-Haut Electric Power Company Request for General Counsel Opinion Pertaining to Isle-Au-Haut Electric Power Company, Docket No. 2022-00335

10 Person Complaint (Lisa Danforth Et Al) Concerning the Routing of Section 31 Related Nonwires Alternative Pertaining To CMP, Docket No. 2022-00338

Request For Approval of Rate Change Regarding Annual Reconciliation of Stranded Cost Revenue and Costs Pertaining to Central Maine Power Company, Docket No. 2022-00341

Request For Approval of Waiver of Opt-Out Fee on Behalf of Hansen Properties, Docket No. 2022-00343

Commission Initiated Inquiry into Proposed Changes to Small Generator Interconnection Procedures, Chpt 324, Docket No. 2022-00345

Office of the Public Advocate Request for Approval of a Proposed Bill Credit to Offset Standard Offer Increase During Winter Months, Docket No. 2022-00350

Versant Power Request for Approval of Stranded Cost Revenue Requirements and Rates (3/1/23 - 2/28/26) Pertaining to Versant Power, Docket No. 2022-00356

MREA & Coalition for Community Solar Access Request for Emergency Rulemaking Pertaining to Maine Renewable Energy Assoc & Coalition for Community Solar Access, Docket No. 2022-00359

Commission Initiated Inquiry & Notice of Interest & Request for Project Proposals for the Bipartisan Infrastructure Law Grid Innovation Program, Docket No. 2022-00360

Commission Initiated Inquiry Regarding Rate Structure for Standard Offer Service, Docket No. 2023-00019

Commission Initiated Investigation Pertaining to Electricity Maine, LLC, Docket No. 2023-00024

Commission Initiated Inquiry into Possible Amendments to Chapter 815, Consumer Protection Standards For Electric And Gas Transmission And Distribution Utilities, Docket No. 2023-00025

Request For Approval of Annual Compliance Filing Pertaining to Central Maine Power Company, Docket No. 2023-00038

Request For Approval of Rate Change - 3502 Pertaining to Fox Islands Electric Cooperative Inc, Docket No. 2023-00050

Request For Review of Purchase Power Agreement (35-A MRS Section 1702(3)), Docket No. 2023-00054

Commission Initiated Rulemaking to Amend Chapter 880, Docket No. 2023-00058

Request For Approval Annual Revenue Decoupling Adjustment 11/1/21 - 12/31/22 Pertaining to Versant Power, Docket No. 2023-00075

Request For Review of Purchase Power Agreement with West Enfield Associates Pertaining to Versant Power, Docket No. 2023-00095

Request For Approval of Issue of Securities Pertaining to Versant Power, Docket No. 2023-00096

Rulemaking on Small Generator Interconnection, Docket No. 2023-00103

Request For Investigation and Nonwires Alternative Review, Docket No. 2023-00114

Transmission Planning and Cost Management, FERC Docket No. AD22-8-000

Joint Federal-State Task Force on Electric Transmission, FERC Docket No. AD21-15-000

New England Winter Gas-Electric Forum, FERC Docket No. AD22-9-000

Versant Power, Re: Maine Public District Charges, FERC Docket No. ER20-1977-003

Dynegy Marketing and Trade, LLC Request Additional Cost Recovery Pursuant to Section III.A.15 of Appendix A to Market Rule 1 of the ISO New England Tariff, FERC Docket No. ER23-1261-000

ISO New England Inc. Revisions to Update the Inventoried Energy Program, FERC Docket No. ER23-1588-000

Application for the Establishment and Recovery of Regulatory Assets of Versant Power, FERC Docket Nos. ER23-1598-000, ER23-1598-001

Versant Power Revisions to its Open Access Transmission Tariff for Maine Public District to Correct a Typographical Error, FERC Docket Nos. ER23-1671-000 and ER23-1671-001

Notice of Proposed Rulemaking: Building for the Future Through Electric Regional Transmission Planning and Cost Allocation and Generator Interconnection, FERC Docket No. RM21-17-000

NATURAL GAS

OPA Opposes Rate Increase for Northern Utilities, Docket No. 2023-00051

On May 1, 2023, Northern Utilities, Inc. d/b/a Unitil (Northern) submitted a request for a rate increase of \$11,756,977, which would be a total rate increase of 9.4%. The proposed effective date for this rate increase is February 1, 2024. Northern is also proposing changes to its current rate design methodology, which would result in larger rate increases for Northern's residential customers when compared with non-residential customers. The OPA is actively participating in this proceeding, having submitted testimony recommending a rate increase of \$8,354,811 instead of the rate increase sought by Northern. The OPA will continue to attempt to minimize the amount of any rate increase for Northern's customers in this proceeding.

OPA Appeals PUC Approval of Special Rate Contract, Docket No. 2022-00333

On January 27, 2023, the PUC approved the extension of a special rate contract (SRC) between Bangor Natural Gas Company and Bucksport Generation LLC. In doing so, the PUC clarified the standard for approving special rate contracts between natural gas utilities and their customers -- whether the revenues that the utility will receive under the contract exceed the marginal or incremental cost of providing service to the customer. Contrary to the recommendations of the OPA, the Commission declined to adopt a standard whereby a gas utility would be required to demonstrate that it had maximized revenues in its negotiation of the special rate contract.

With any special rate contract, the utility's other customers taking service under PUC approved rates absorb the amount of the SRC discount and thereby subsidize the utility's cost of serving the SRC customer. Special rate contracts have typically been used by utilities in situations in which a customer requires a discount from otherwise applicable PUC approved rates due to circumstances such as the customer's ability to bypass the utility (such as a dual fuel facility), the ability of a customer to relocate out-of-state, or economic distress. In this case, Bangor Gas did not have a tariff rate applicable to Bucksport Generation, thereby creating the need for a special rate contract. However, without knowing the true cost of serving Bucksport Generation, it is impossible to determine the amount other customers are paying toward Bangor Gas's cost of serving Bucksport Generation. This case creates the potential for additional gas utility customers to seek special rate contracts whereby they would need only to pay a price just above the utilities' marginal or incremental cost of serving them.

On February 17, 2023, the OPA filed a Notice of Appeal regarding the PUC's Order approving the SRC. The OPA appealed the PUC's Order on both substantive and procedural grounds. From a substantive perspective, the OPA believes that the rates set forth in the SRC approved by the PUC are discriminatory and contrary to applicable law. The OPA believes that the rates under the SRC will result in both an undue and unreasonable preference to one Bangor Gas customer (Bucksport Generation) and an undue and unreasonable disadvantage to the other customers of Bangor Gas, who will be subsidizing the rate discount provided under the SRC. From a procedural perspective, the OPA notes that the PUC's Order is unlawful because no evidentiary record was established

pursuant to which the PUC could make a finding that the rates to be charged under the SRC would be just and reasonable and non-discriminatory. Oral arguments at the Law Court are scheduled for September 2023.

OPA Argues that Customers Should Not Have to Pay for Costs as Summit Natural Gas (SNG) Prepares to Increase the System Pressure in its Distribution System, Docket No. 2021-00112

In 2014, the PUC discovered that SNG had erred in the sizing of the equipment (“risers”) that the company installed when connecting to buried service lines and mains. As a result, SNG was required to reduce the pressure in its distribution system. In 2021, SNG requested a waiver of a federal pipeline safety regulation in order to re-raise the pressure. Over OPA’s objection, the waiver was granted and forwarded to US Department of Transportation’s Pipeline and Hazardous Materials Safety Administration (PHMSA) for review. On October 24, 2022, PHMSA issued conditions that SNG would need to accept, including testing before and after the pressure increase, before PHMSA would lift its objection to the waiver. On December 13, 2022, the PUC issued its Recommended Decision, which would amend the original waiver to include the conditions imposed by PHMSA. On December 30, 2022, the OPA filed comments supporting the inclusion of PHMSA’s conditions but asking the PUC to order that all communications between the PUC and PHMSA be copied to the OPA and filed in the Docket. The OPA also asked that the costs of all testing, leak detection surveys, repairs, equipment replacement, surveys, and any other costs associated with changing the system operating pressure should be paid by shareholders. On January 11, 2023, the PUC amended the granted waiver, subject to the conditions provided by PHMSA.

OPA Reaches Agreement with Bangor Natural Gas Company on Approval of Reservation Costs, Docket No. 2022-00119

On May 2, 2022, Bangor Natural Gas Company (Bangor Gas) filed a request with the PUC to recover its reservation costs associated with the Westbrook Xpress Projects that were due go into operation on November 1, 2022. Bangor Gas proposed to recover \$5,690,447.46 for the period of November 1, 2022, through October 31, 2022. After questioning by the OPA regarding the reservation costs, Bangor Gas agreed to reduce the amount it was seeking to recover to \$5,480,011.91. This agreement was set forth in the form of a stipulation which was approved by the PUC by Order dated September 20, 2022.

Settlement Approved in Summit Natural Gas Rate Case, Docket No. 2022-00025

By Order dated June 15, 2023, the PUC approved a settlement agreement in the Summit Natural Gas of Maine (Summit) rate case (Docket No. 2022-00025). The settlement agreement, in the form of stipulation, was filed with the PUC on May 31, 2023. The approved stipulation results in a three-year rate plan for Summit, with a rate increase occurring in each year of the plan. The first rate increase of 12% took effect on July 1, 2023. The next increase of 9% will occur on May 1, 2024. The final increase of 9% will take place on May 1, 2025. The stipulation also provides that Summit may not file for another rate increase that has an effective date prior to May 1, 2026.

A prior settlement was reached in this proceeding but was rejected by the PUC in January of 2023. In its order rejecting the prior stipulation, the PUC indicated that it was open to a new stipulation reflecting smaller rate increases spread over a shorter period.

The approval of the new stipulation results in rates much lower than those proposed by Summit in its initial request. Summit originally proposed a seven-year rate plan, with an initial rate increase of 30% and the ability to raise rates up to 15% per year in each subsequent year, with the proposed rate plan ending on December 31, 2029. The rates agreed to in the settlement agreement are a vast improvement over those originally sought by Summit.

Commission Approves Northern Utilities Adjustment Mechanism to its Cost of Gas Filings, Docket No. 2022-00044

On May 13, 2022, in Docket No. 2022-00044, Northern Utilities submitted an amendment to its Summer Period Cost of Gas Rate to account for increased gas commodity prices and requested an automatic adjustment mechanism to allow small monthly adjustments to the cost-of-gas rate. The OPA filed comments stating that the adjustment mechanism should be limited within a band and agreeing that this mechanism would lessen over- or under-collections from customers. On June 9, 2022, the Commission issued an Order approving the adjustment mechanism. The first month in operation the mechanism resulted in a decrease in cost of gas rates for July.

PUC Approves Agreement Required for Summit Natural Gas to Participate in a Biomethanation Pilot Project, Docket No. 2020-00089

On October 14, 2022, SNG filed a request for an advisory ruling regarding the need for Commission approval of a planned short-term, pilot-scale biomethanation project at the site of the Peaks Renewables dairy digester located in Clinton, Maine pursuant to a \$5-million grant from the Department of Energy (DOE) and in partnership with, among others, the National Renewable Energy Laboratory (NREL). After discussions with the PUC and among the parties, the case was resolved by agreement. SNG will adhere to certain conditions regarding financial, accounting, and costs. The PUC found that the project could provide important information regarding the production of pipeline-quality renewable natural gas associated with the Clinton digester.

PUC Opens an Investigation of Gas Procurement and Management Practices at Summit Natural Gas (SNG) and the Maine Natural Gas Corporation (MNG), Docket No. 2023-00015

The PUC has retained Silverpoint Consulting, LLC to conduct audits of SNG and MNG. Silverpoint will perform a comprehensive, structured, and in-depth examination of the natural gas distribution companies' gas supply resource procurement and management decisions and practices. Silverpoint will produce an audit report, which can then be reviewed and commented on by the utilities, the OPA, and other interested persons.

PUC Approves Rate Increase to Cover Unitil's 2022 Costs for Infrastructure Replacement and Upgrade Projects, Docket No. 2023-00044

In 2013, the PUC approved a long term, multi-year project to replace and upgrade equipment, scheduled for completion in 2024. Each year, the costs that the Company may recover depends on whether the work is completed on schedule and within the established budget. After reviewing Unitil's 2022 filing, on April 26, 2023 the PUC approved a 3.62% increase to distribution-only base rates for all customer classes effective May 1, 2023. This results in a combined delivery and supply increase of 1.2% to 3.6% for residential customers and 0.7% to 3.6% for commercial and industrial customers, in addition to other adjustments to customer charges and volumetric rates. The OPA agreed with Unitil's calculation for this rate increase but noted that Unitil is performing a large amount of work in 2023 on some of the busiest roads in Maine, and questioned whether the project is on track to finish in 2024. Unitil says that it expects to complete the full project on time, but that some paving would need to happen in 2025.

OTHER NATURAL GAS CASES

Summit Natural Gas, Request for Approval of Special Rate Agreement, Natural Gas Sale and Purchase Agreement, and Interconnection Agreement with Peaks Renewable, Inc., Docket No. 2020-00089

Summit Natural Gas, Request for Approval of Annual Cost of Gas Rate Adjustment (2021), Docket No. 2021-00186

Summit Natural Gas, Investigation into the Treatment of Transportation Customer Imbalances, 2021-00333

Bangor Natural Gas, Request for Approval of Changes to Tariffs Pertaining to Renewable Natural Gas Standards, Docket No. 2022-00011

Bangor Natural Gas, Commission Initiated Investigation of Effects of the Expiration of Alternative Rate Plan, Docket No. 2022-00032

Northern Utilities, Request for Approval of 2022 Summer Cost of Gas Rates, Docket No. 2022-00044

Maine Natural Gas, Request for Approval of Annual Compliance Filing, Docket No. 2022-00049

Commission Initiated Inquiry into Natural Gas Utility System Expansion Reports Pertaining to Bangor Natural Gas Company, Maine Natural Gas Corporation, Northern Utilities, Inc., and Summit Natural Gas of Maine Inc., Docket No. 2022-00114

Commission Initiated Rulemaking in Chapter 420 (Gas Safety Standards), Docket No. 2022-00155

Maine Natural Gas, Request for Approval of Annual Cost of Gas Adjustment Rate (9/1/22 - 8/31/23), Docket No. 2022-00167

Bangor Natural Gas, Request for Approval of Annual Review of Cost of Gas Activities Report for May 1, 2021 – April 30, 2022, Docket No. 2022-00187

Summit Natural Gas, Request for Approval of Annual Cost of Gas Adjustment (2022-2023), Docket No. 2022-00214

Northern Utilities, Request for Approval of 2022 Winter Cost of Gas Filings, Docket No. 2022-00256

Bangor Natural Gas, Annual Service Quality Index Performance Reports, Docket No. 2022-00295

Commission Initiated Investigation of Gas Resource Procurement and Management Practices of Summit Natural Gas of Maine and Maine Natural Gas Corporation, Docket No. 2023-00015

Northern Utilities, Request for Approval of 2023 Summer Cost of Gas Rates, Docket No. 2023-00022

Maine Natural Gas, Request for Approval of Annual Compliance Filing, Docket No. 2023-00043

Northern Utilities, Request for Approval of Affiliated Interest Transaction with Granite State Gas Transmission, Inc., Docket No. 2023-00077

Northern Utilities, Request for Approval of 2023 Integrated Resource Portfolio, Docket No. 2023-00078

Maine Natural Gas, Request for Approval of Annual Cost of Gas Rate, Docket No. 2023-00133

WATER

The OPA Opposes \$400,000 in Management Costs Requested by the MWC, Docket Nos. 2022-00056, 57, 58, 59

On February 28, 2022, MWC requested to increase its rates, ranging between 3.4%-14.47% depending on customer class and usage. The OPA argued that MWC's proposed expenses for investments in equipment, employment compensation and benefits, and money paid to MWC's parent company are too high, and that MWC did not justified the significant increase in management fees that it seeks. After an October 11, 2022 hearing where the PUC Commissioners asked the OPA's and MWC's witnesses questions about MWC's proposed rate increases, on October 25, 2022 MWC announced that it is seeking even higher rate increases: 5.02%-22.84%. This is 48%-86% higher than was proposed in February 2022 (Docket Nos. 2022-00056, 57, 58, 59.) We argued that MWC should not be able to ask for higher rate increases than what customers were told about back in February 2022, and that MWC has not justified the nearly \$1 million increase in management costs as part of its requested rate increase. A large portion of the requested increase was to cover the management costs (approximately \$920,000) being billed to MWC's 10 Divisions by the company's new parent, the San Jose Water Group (SJWG). On January 24, 2023, the PUC Commissioners denied recovery of \$400,000 of those costs, agreeing with the OPA that MWC had not shown the costs were reasonable and they were not higher than management costs would have been without SJWG. The Commission also agreed with the OPA to reduce recovery in several other categories including tank painting, rate case amortization, the way carrying charges on the Tax Cuts and Jobs Act funds (that will be refunded to customers) are recorded and compounded, and the calculation of cash working capital. The OPA had argued that the PUC should cap the proposed increase by the amount indicated in the original customer notice. But the PUC disagreed saying that if the error had a significant impact on the rate request, the company should have sent a new notice, but that the effect on the proposed increase was not significant.

The OPA Opposes Maine Water Company (MWC) Request for a Temporary Rate Increase From its Biddeford and Saco (B&S) Customers, Docket No. 2023-00065

On March 31, 2023, the MWC asked the PUC for a 19.92% increase for its B&S customers (Docket No. 2023-00065) such that MWC can collect approximately \$3 million in additional revenue per year beginning July 1, 2023. On June 20, 2023, the OPA filed testimony arguing that the requested increase is too high. The MWC is asking customers to pay too much for certain expenses including tank painting and the incentives, in the form of stock awards, given to MWC's Company Officers. MWC also wants B&S customers to pay management fees to its parent company, the San Jose Water Group, without showing the cost savings to its customers. The OPA recommends that the PUC reduce MWC's revenue request by approximately \$1.5 million.

The OPA Appeals the Commission’s Decision to Issue a Waiver of its Depreciation Rule Applicable to Maine Water Company, Docket No. 2022-00319

In March, the OPA appealed to the Law Court the Commission’s decision to grant a waiver to Maine Water Company – Millinocket Division of the normal depreciation rates applicable to water utility capital assets. As a result of the depreciation waiver, which has been in place for the last 15 years, Maine Water Company’s rate base is artificially inflated by millions of dollars, requiring ratepayers to pay a much higher return to the Company than they should be. While the original justification for the waiver was to temporarily reduce rates, customers no longer receive the benefit of lower rates from the waiver because the Company has been granted multiple water infrastructure surcharges that allow it to increase rates to fund capital spending between rate cases. The OPA has argued in its appeal that the waiver is not allowed under the Commission’s rules, is contrary to sound ratemaking principles, and is unsupported by any evidence in the record.

Moscow Water District Customers No Longer Facing Systemwide Disconnection, Docket No. 2022-00084

On June 28, 2022, the PUC closed its investigation into a dispute between the Moscow and Bingham Water Districts after Moscow paid the past due amount owed to Bingham. Bingham had scheduled disconnection of Moscow’s entire system to take effect on May 17, 2022, over what the PUC described as “an apparent significant overdue amount.” The OPA filed comments to say that the ratepayers in both Districts had done nothing wrong, and that there should be no disruption of service to Moscow’s customers nor should ratepayers be financially harmed by the situation. The PUC encourages Moscow to engage in cost analysis when analyzing potential new water sources.

Significant Update to the Commission’s Rules on Service Standards for Water Utilities, Docket No. 2021-00334

On November 16, 2022 (Docket No. 2021-00334), the PUC updated (and renamed) Chapter 62 of its rules (now known as Chapter 620) to add provisions for Maine’s water utilities to respond to water supply emergencies more effectively, better reflect modern metering technology, and make changes to sections which cover service lines, seasonal service, service interruptions, low pressure areas, and conditions of service. The OPA filed comments on July 1 and July 28, 2022 and participated in a rulemaking hearing on July 14, 2022.

PUC Opens Rulemaking on How Consumer-Owned Water Utilities (“COUs”) Notify Customers When Petitioning for Exemptions From Regulatory Requirements, Docket No. 2022-00237

On November 22, 2022, the PUC amended its rule Chapter 615, to allow COUs to change the way they notify customers when they request an exemption from regulatory requirements (Docket No. 2022-00237.) Newspaper notifications are costly and increasingly ineffective given today’s virtual world. The amended rule allows COUs instead, to give notice by email, by posting in a conspicuous place on the COU website, or via social media. The COUs are still required to send notice through the mail to individual customers. The

PUC agreed with the OPA's suggestion to require COUs to include a description of the proposed exemption in their notices but declined our suggestion to require the COUs to send the individual customer notices by first class mail.

PUC Opens Rulemaking on How Consumer-Owned Water Utilities (“COUs”) Notify Customers When Petitioning for Raise Rates, Docket No. 2022-00243

On November 22, 2022, the PUC issued a new rule (Chapter 616), to create alternatives to newspaper customer notification when a COU petitions for a rate change pursuant to Section 35-A M.R.S. §§ 6104, 6104-A (Docket No. 2022-00243.) Prior to this new rule, COUs had to file notice in the newspaper describing the initial hearing on the COU's petition (and describing the amount of the proposed rate change.) The amended rule allows COUs instead, to give notice by email, by posting in a conspicuous place on the COU website, or via social media. The COUs still are required to send notice through the mail to individual customers. The PUC agreed with the suggestion by the OPA that the rule make clear that all notices, whether by mail or some other method, contain the same information, and the Commission also agreed that the term “direct mail” could be confusing, and has changed the term to “regular mail.” However, the PUC declined to adopt the OPA's suggestion that the rule mandate first-class mailing of customer notices.

A Group of Auburn and Lewiston Customers and Residents File a “10-Person Complaint” Asking the PUC to Open a Formal Investigation Into the Auburn Water District's Actions Regarding Lake Auburn, Docket No. 2023-00069

On March 23, 2023, a group of local customers and residents filed a complaint against the Auburn Water District (AWD), saying that the District has acted in ways that threaten the quality of water in Lake Auburn and which may lead to significant water rate increases. Currently, Lake Auburn has a federal waiver from the requirement to build a costly filtration system which is otherwise required for surface water drinking water sources. The AWD responded to the complaint on April 13, 2023, and comments on the response were due on May 4, 2023. If the Commission finds that the complaint has merit and is not satisfied that AWD has taken adequate steps to remove the cause of the complaint, the Commission will open an investigation.

OTHER WATER CASES

Maine Water Company, Request for Approval of Issue of Securities Pertaining to The Maine Water Company, Docket No. 2022-00074

Auburn Water District, 10-Person Complaint Regarding Unreasonable Acts and Practices Threatening Water Quality and Potentially Unnecessary Increases in Rates, Docket No. 2023-00069

Bangor Water District, 10-Person Complaint Regarding Unreasonable Acts and Practices Threatening Water Quality and Potentially Unnecessary Increases in Rates, Docket No. 2023-00101

Lincoln Water District, Request for Approval of Certification Regarding Lease of Property and Request for Special Rate Contract to Bluetriton Brands Pertaining to Lincoln Water District, Docket No. 2023-00151

Maine Water Company, Request for Approval of Water Infrastructure Charge Request Pertaining to The Maine Water Company - Camden/Rockland Division, Docket No. 2023-00163

PUC RULEMAKING

PUC Gives Greenlight to New Rules for Intervenor Funding, Docket 2022-00299

On January 31, 2023, the Commission took an important step to making PUC proceedings more accessible to those with limited resources. Specifically, the Commission amended “Chapter 840 Intervenor Funding” of its Rules, which provides reimbursement for reasonable costs incurred during preparation for and advocacy in PUC proceedings. Applicants can be individuals or entities, and the PUC will consider intervenor funding applications for both adjudicatory and non-adjudicatory cases being decided by the Commission.

Priority will be given to intervenors or participants representing environmental justice populations if funds are limited. Eligibility criteria include whether the position advocated is not adequately represented by the OPA or PUC Staff, and whether participation in the proceeding would impose a substantial financial hardship. Public participation encourages government accountability and participatory democracy. Intervenor funding can support both access to PUC proceedings, and quality and effectiveness of the intervenors’ participation. Also, the facilitation of meaningful participation by underrepresented stakeholders can broaden the diversity of viewpoints reflected in the administrative records of any case.

TELECOMMUNICATIONS

The OPA Asks Fiber Partners LLC (FP) to File Public Versions of Its Confidential Documents, Docket No. 2022-00357

On December 15, 2022, Fiber Partners (FP) filed a request, pursuant to Chapter 880 of the PUC’s Rules, to attach its equipment to joint-use utility poles. FP also requested, and was granted, a protective order for confidential business information that the company will be filing. The OPA filed a motion to require FP to create and file redacted, public versions of any confidential documents submitted as part of the record in the case. On January 26, 2023 the Commission granted the OPA’s request. On June 28, 2023, when FP had not made the required filings, the PUC dismissed the application.

The PUC Considers Changes to the Utility Pole Attacher Rules, Docket No. 2023-00058

On March 29, 2023, the PUC proposed to update the rules for “pole-attachers” (such as broadband providers) that want to attach their equipment to joint-use utility poles, most of which are owned by the T&D utilities and the incumbent local exchange carriers (ILECs). The amended rule would require pole-attachers to participate in a new pole database management system (DMS) which will be used to process new pole attachment requests. Versant, Central Maine Power (CMP), and several broadband providers are asking the PUC to allow Versant and CMP to recover some or all the costs of the new DMS from their electric customers. The OPA argues that electric customers do not benefit from the DMS, and that the pole-attachers, which do benefit from the DMS, should be paying for it. A public hearing was held on May 2, 2023 and the OPA filed comments on May 19, 2023.

OTHER TELECOMMUNICATIONS CASES

Consolidated Communications, Commission Initiated Investigation into the Feasibility of Rate Center Consolidation, Docket No. 2023-00009

Consolidated Communications, Rapid Response Complaint Pertaining to Consolidated Communications and the Town of Somerville, Docket No. 2023-00052

FIND OUT MORE

To learn more about any of the cases mentioned in this report, please visit the Public Utilities Commission’s Case Management System (CMS). Make note of the docket number of the case of interest and enter it in the search feature on this page: <https://mpuc-cms.maine.gov/CQM.Public.WebUI/ExternalHome.aspx>.

LEGISLATIVE ADVOCACY

Public Advocate William Harwood, as well as representatives from the Office of the Public Advocate, attended public hearings and work sessions of the Joint Standing Committee on Energy, Utilities and Technology (EUT) during the First Regular & First Special Sessions of the 131st Legislature. The OPA regularly appears before the EUT committee, presenting testimony during the public hearings and participating in work sessions and language review sessions.

As part of its mission, the OPA introduces legislation that assists us in our efforts to obtain the greatest benefits for the ratepayers of Maine. The OPA also actively participates during and after the legislative session in stakeholder groups which we believe greatly benefits the ratepayers of Maine. Ensuring the affordability of electric rates; providing rate relief for low-income households; reducing the burden on ratepayers as the State strives to meet renewable energy goals; and holding investor-owned utilities to higher standards of service are all important policy goals for the Office. The following list highlights of some of the more significant new laws that will benefit utility ratepayers. More information can be found on our website at www.maine.gov/meopa/reports.

Low-income Assistance

The OPA supported the Governor's budget initiative increasing funding to the Low Income Assistance Program (LIAP) by \$15 Million over the next biennium. This is the first time in the program's history when money from the General Fund will be used to fund the program, in addition to the traditional funding by ratepayers.

The OPA also worked closely with the sponsors and interested parties on enacting the bills below, all of which will help alleviate the energy burden on Maine's most vulnerable ratepayers:

- LD 187 changes Allocation of Alternate Compliance Payments (ACPs) for Class I and IA resources from the Efficiency Maine Trust's Energy Efficiency and Renewable Resource Fund to LIAP.
- LD 258 (Budget), part VV, directs DHHS to provide identity of low income households to utilities to allow utilities to automatically enroll qualifying ratepayers in PUC's LIAP program.
- LD 399 requires that any ACP for Class II RECs paid to the PUC must be used to fund LIAP.
- LD 509 directs expiring Net Energy Billing credits to be used to fund LIAP.
- LD 2013 directs consumer owned electric utilities to use capital credits abandoned by ratepayers to fund low income assistance, rather than turn the funds over to the State as abandoned property.

Net Energy Billing Reform

The most important and controversial issue affecting ratepayers was reform of the State's Net Energy Billing (NEB) program. The two competing measures were LD 1347 and LD 1986. The OPA worked with sponsor Steve Foster of Dexter, AARP, the Industrial Energy Consumers Group, and others on LD 1347, which proposed significant reforms to the NEB program to lessen its impact on Maine ratepayers. The Legislature passed LD 1986 instead, which makes more modest reforms to the program.

In addition to the Office's involvement in the major issues of the Session, the OPA introduced four pieces of legislation this session that were signed into law by the Governor:

LD 177, Public Law 2023, Chapter 64 “An Act to Amend the Authority of the Public Utilities Commission Regarding Access to Information in Proceedings Involving Special Rate Contracts”

This bill allows PUC to deny or limit access to confidential information in a proceeding involving one or more special rate contracts under section 703 if the information relates to reasons for a party entering into a special rate contract.

LD 414, Public Law 2023, Chapter 405 (Part D, page 38) “An Act to Clarify the Provision of Notice of Proposed Rate Increases to Public Utility Customers”

LD 414 requires a utility seeking a rate increase to notify its customers by either first-class mail or the method by which the customer receives a bill from the utility. It also requires the Commission to prepare the notice in consultation with the utility and authorizes the PUC to require a second notice if utility seeks an increase larger than amount disclosed in first notice.

LD 987, Resolves 2023, Chapter 39 “Resolve, Directing the PUC to Initiate a Proceeding to Explore Strategies to Procure Standard-offer Service in a Manner that Promotes the Stability of Residential Standard-offer Rates”

This bill requires the PUC to develop a SO procurement strategy to increase rate stability for residential customers. LD 987 began as a recommendation from the OPA's Retail Supply Study authorized by the Legislature in 2022.

LD 1427, Public Law 2023, Chapter 201 “An Act to Allow the Public Utilities Commission to Provide Financial Assistance to Low-income Households in Emergency Situations”

This bill allows the PUC to use LIAP funds to provide financial assistance in emergency situations. It also requires the Commission to report on the source of funds used for LIAP benefits.

OTHER LEGISLATIVE ACTIVITY

The OPA worked on several other important bills that were enacted, including the following:

LD 327, (Public Law 2023, Chapter 307) “An Act to Provide Maine Ratepayers with Equitable Access to Interconnection of Distributed Generation Resources”

LD 395, (Public Law 2023, Chapter 143) “An Act to Expand Funding Sources Within the Public Utilities Commission for Intervenor and Participant Funding”

LD 698, (Public Law 2023, Chapter 222) “An Act to Reduce the Cost of Energy in Maine and Reduce Greenhouse Gas Emissions Through the Effective Use of Renewably Sourced Gas”

LD 1065, (Public Law 2023, Chapter 182) “An Act to Improve the Telecommunications Relay Services Council by Reducing Its Membership and Allowing for the Hiring of an Executive Director”

LD 1591, (Public Law 2023, Chapter 321) “An Act to Promote Economic Reuse of Contaminated Land Through Clean Energy Development”

LD 1654, (Public Law 2023, chapter 168) “An Act to Extend the Time for Certain Public Utilities Commission Proceedings”

LD 1655, (Public Law 2023, chapter 325) “An Act to Amend the Laws Governing Consumer-owned Water Utilities”

LD 1724, (Public Law 2023, Chapter 328) “An Act to Enact the Beneficial Electrification Policy Act”

LD 1850, (Public Law 2023, Chapter 374) “An Act Relating to Energy Storage and the State's Energy Goals”

LD 1971, (Resolves 2023, Chapter 104) “Resolve, to Ensure that Eligible Customers Receive Payments from the Energy Rate Relief Fund”

LD 2012, (Public Law 2023, Chapter 375) “An Act to Prohibit Early Termination Fees for Residential Electric Generation Service Contracts”

For more information or to read testimony presented by the Office of the Public Advocate to the Maine State Legislature, please visit our website:

<https://www.maine.gov/meopa/reports-and-testimony>

CONSUMER EDUCATION AND OUTREACH

In addition to interceding on the ratepayers' behalf at the Maine Legislature, Public Utilities Commission, ISO New England, and Federal Energy Regulatory Commission, the Office of the Public Advocate also provides one-on-one support for consumers voicing utility concerns.

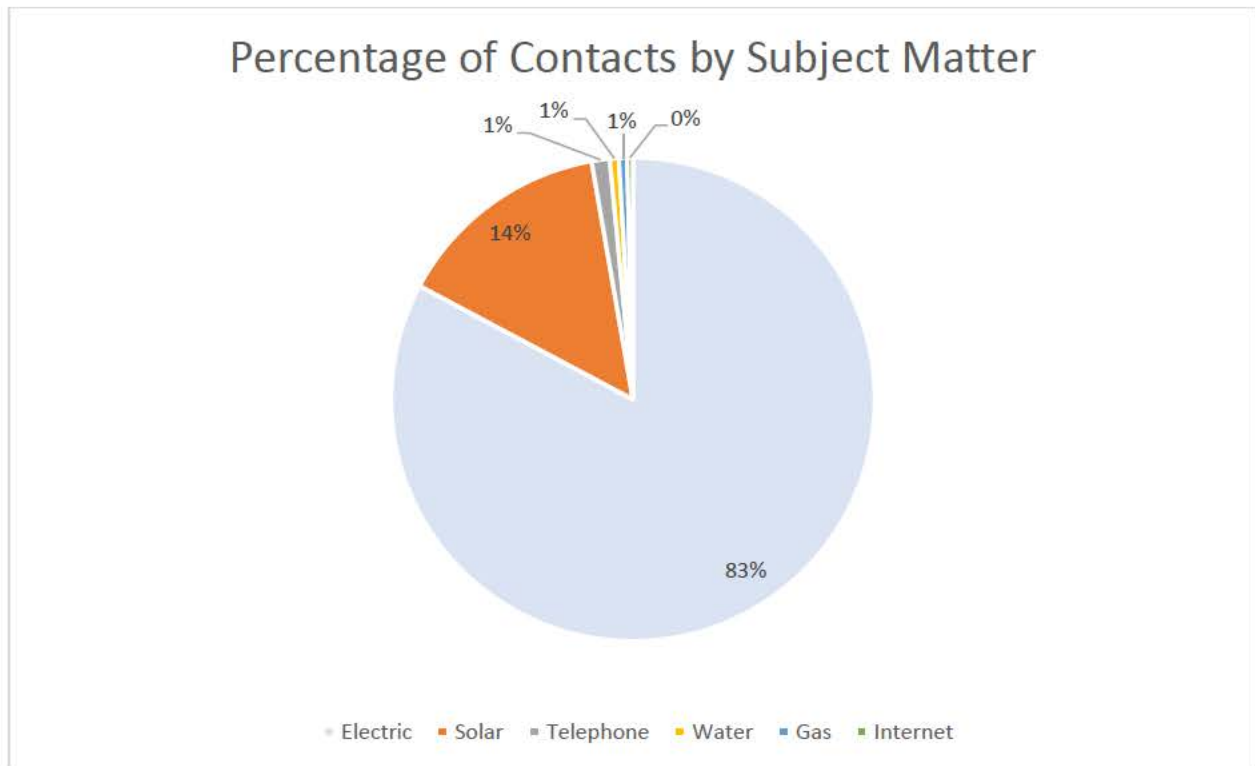
The Consumer Advisor is available to answer questions, provide advice and as needed, connect consumers to other OPA staff with relevant expertise. Often, consumers will contact the OPA via telephone, email, or with in-person visits.

Key topics of concern:

- **Rate Cases:** With several important rate cases held this year, the Consumer Advisor also provided education on the PUC rate decision-making process, spoke at public hearings, and communicated the OPA's position on proposed rate increases.
- **Higher Utility Bills:** Another key issue this year was the increase in the Standard Offer price for electric ratepayers. Hundreds of consumers reached out in the early months of 2023 to seek relief from significantly higher electric bills. The OPA updates [competitive electricity supplier rate offerings](#) each month to assist consumers in finding the best supply price for their needs, as well as assisting with how to navigate concerns, questions, and issues with competitive electricity suppliers.
- **Community Solar:** Consumers also required assistance this year navigating the unfamiliar Community Solar process, prompting dozens of calls each month. The Consumer Advisor worked with the OPA's solar experts, as well as CMP and Versant, to create a Frequently Asked Questions document to be hosted at https://www.maine.gov/meopa/electricity/community_solar to address common concerns.
- **Disconnections:** Due to rising electricity costs and inflation in other necessary bills like heat and food, many ratepayers struggled to pay electric bills this year. As a result, in the Spring of 2023, CMP and Versant issued more than 80,000 disconnect notices. In addition to working one-on-one with callers facing disconnection, the Consumer Advisor created guides to help consumers navigate their situation.

Having trouble paying a utility bill?

The Public Utilities Commission has a webpage to connect you to bill assistance resources. This list covers all utilities and is a great page to review if you are having trouble making ends meet:
<https://www.maine.gov/mpuc/consumer-assistance/programs>

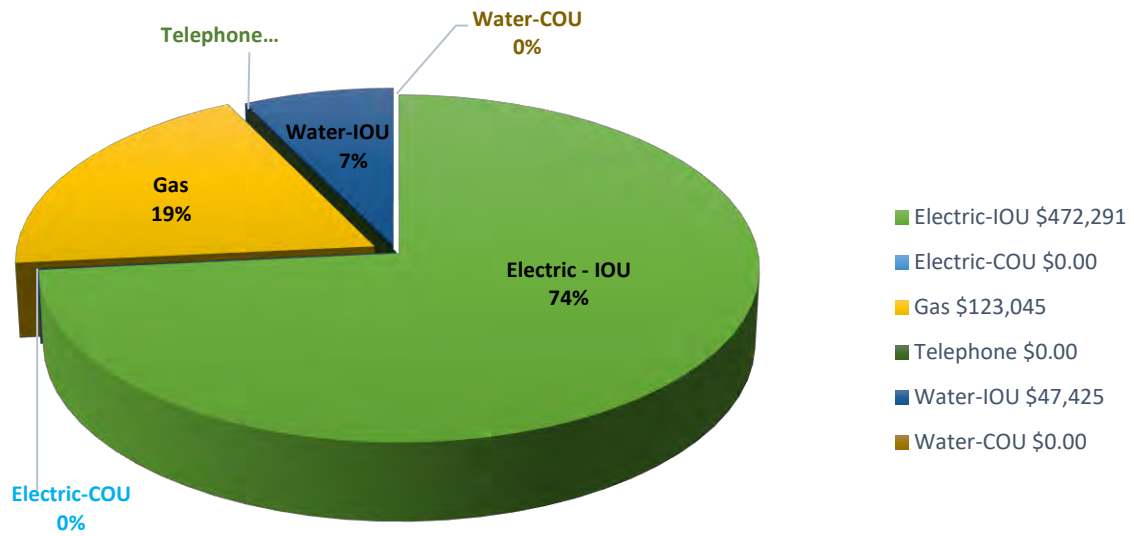


Consumer Education

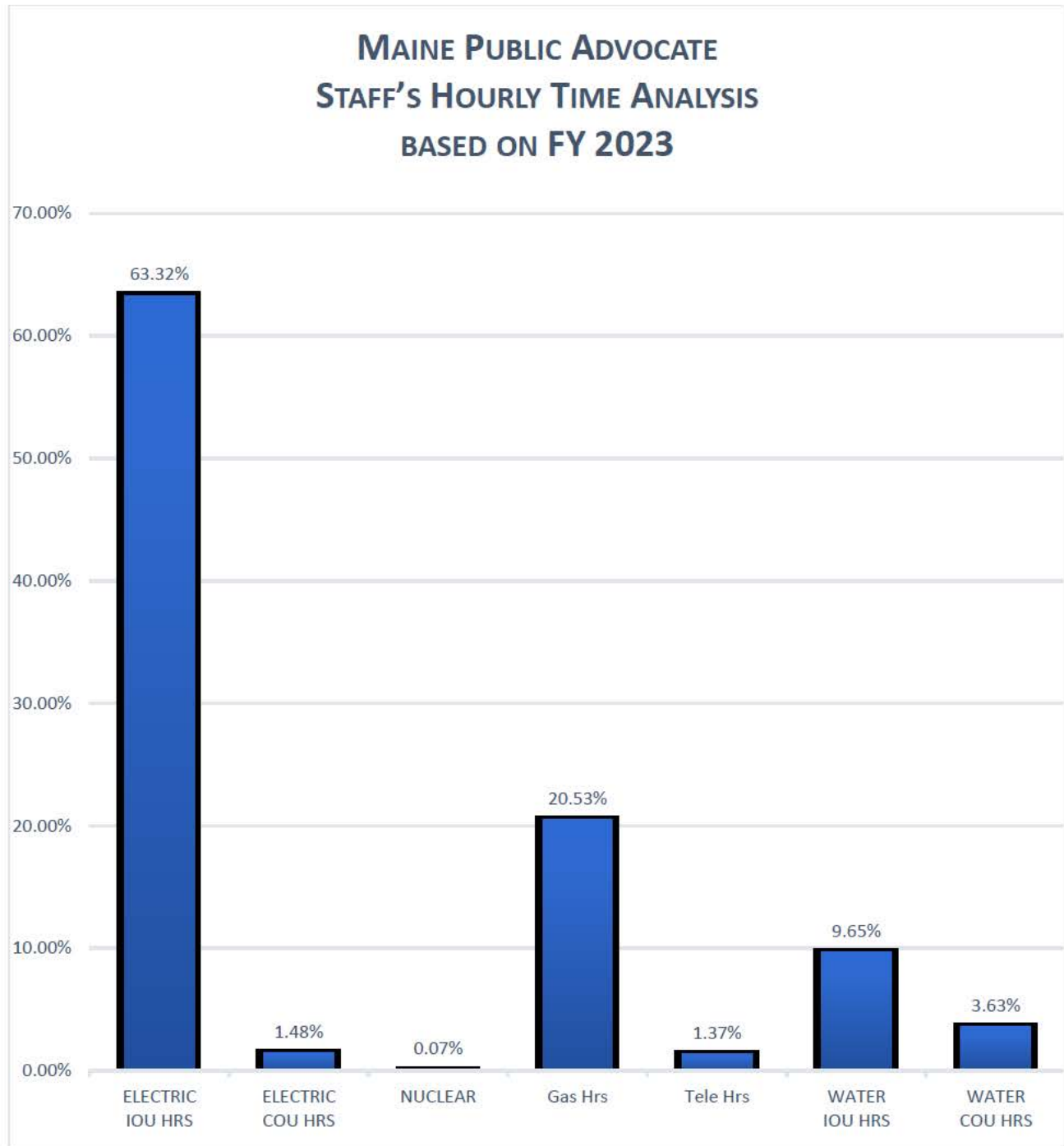
We continue to serve as a dynamic resource for customers interested in competitive electricity providers by updating the rate offerings monthly. This year saw the electricity world become even more confusing for residential customers with the influx of community solar offerings and the increase in the standard offer. In response to the demand, the OPA maintained and updated 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: https://www.maine.gov/meopa/electricity/community_solar

Every month OPA publishes a new edition of Highlights summarizing the OPA's work on behalf of ratepayers. Each month in Highlights, the Consumer Advisor provides helpful information to consumers.

If you are interested in learning more about the work the OPA does on behalf of the Maine ratepayer, contact us at opa.admin@maine.gov to subscribe to our Monthly Highlights.

CONSULTANT EXPENDITURES**OPA Consultant Expenditures
Based on Calendar Year 2022**

OPA HOURLY TIME ANALYSIS



The above-referenced chart covers Fiscal Year 2023, July 1, 2022 thru June 30, 2023, pursuant to PL 2021, c. 318, Sec. 2 sub- §8 (Title 35-A M.R.S.A., section 116, subsections 1 and 8).

OPA RESOURCE ALLOCATION BETWEEN IOUs AND COUs

Per statute 35-A M.R.S.A § 1702, sub-§ 6A; (PL 2021, c.318 § 8), the OPA is required to provide the following accounting:

The portion of the OPA's resources devoted to matters related to investor-owned utilities and the portion of resources devoted to matters related to consumer-owned utilities; and

The OPA's expenses per dollar of intrastate gross operating revenue for investor-owned utilities and for consumer-owned utilities.

The table below illustrates those accountings. OPA resources reflected in the table are from July 1, 2022 through June 30, 2023.

<u>Utility Type</u>	<u>Portion of OPA Resources</u>	<u>Expenses per Dollar of Utility Revenue</u>
Electric – Investor Owned	63%	\$0.003725434
Electric – Consumer Owned	1%	\$0.001111414
Gas	25%	\$0.003664797
Telephone/Communications	1%	\$0.00175558
Water – Investor Owned	8%	\$0.009067559
Water – Consumer Owned	2%	\$0.000365680