

MAINE STATE LEGISLATURE

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STATE OF MAINE

OFFICE OF THE
PUBLIC ADVOCATE

ANNUAL REPORT

July 1, 2023 - June 30, 2024

Cover Photo: Moose near Rangeley, Maine, by Justin M. Landry

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Janet T. Mills
GOVERNOR

William S. Harwood
PUBLIC ADVOCATE

September 1, 2024

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 43 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 Deputy Public Advocate Drew Landry, our work is handled by four talented lawyers, Susan Chamberlin, Kris Winther, Brian Marshall, and Rich Hevey; our Economic Analyst Jesse Houck; our Consumer Advisor Elizabeth Deprey; our long serving Office Administrator Shareen Thompson and our Legal Assistant Amy Osborne. And for the last four years, our legislative work was coordinated by Ben Frech until his resignation last spring. 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, the 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 the OPA supporting our efforts and ensuring we have the tools needed to successfully advocate for ratepayers.

I am pleased to report that we were able to perform our work this past year without increasing the cost to our citizens. Our total annual budget of approximately \$3.7M remained flat, resulting in no overall increase in assessments on our regulated utilities. For fiscal year 2024, the approved budget for each of OPA's three operating funds was: Regulatory Fund \$2,776,715, 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 Public Utilities Commission (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, with rate cases, utility reorganization cases, rulemaking cases, and PUC investigations. Highlights of the OPA's work at the PUC include the following:

1. Excessive Utility Spending. After drawn-out litigation with Central Maine Power (CMP) over OPA's allegations that CMP's 2022 spending on storm cost restoration was excessive, we reached a settlement agreement with CMP providing that \$850,000 of the cost would be paid by shareholders rather than ratepayers. The sum was modest in comparison to CMP's total spending, yet it sent a strong message to CMP and all Maine utilities that OPA will not hesitate to fight hard for ratepayers if there is evidence of unnecessary or excessive spending. The statutory requirement that all utility rates must be "just and reasonable" is based on the premise that unnecessary or excessive utility spending may not be passed on to ratepayers.
2. Green House Gas Emissions. In an historic first, OPA helped negotiate a settlement of a PUC case approving the sale of a major interstate natural gas pipeline by including provisions requiring the pipeline to measure, report, and mitigate its greenhouse gas (GHG) emissions. The PUC's settlement approval was the first case implementing the new statutory provision that the PUC "facilitate achievement of the State GHG emission goals." This PUC ruling will facilitate further PUC regulation of natural gas utilities whose emissions are a substantial contributing cause of our climate crisis.
3. Electricity Maine, LLC (EME). Long and controversial litigation over allegations that Electricity Maine, LLC intentionally and repeatedly violated Maine consumer protection laws continues. The OPA has been at the front of the litigation arguing that the punishment must be severe enough to send a strong message to EME and all Competitive Electricity Providers (CEPs) that any such violations will not be tolerated. In June, OPA opposed a proposed settlement of the case that included only modest sanctions against EME. The PUC agreed with the OPA that the proposed settlement was too lenient and failed to adequately punish EME for its egregious behavior. As a result, litigation of the case continues.

4. Versant Power Rate Case. On March 1st Versant Power requested a \$35M rate increase. The OPA and our consultants have actively opposed the increase and the case remains active.
5. Net Energy Billing Eligibility. The OPA has been involved in a series of cases determining whether individual solar projects qualify for the generous subsidies available in the Net Energy Billing Program. The Legislature required qualifying projects to complete construction by December 31, 2024, unless the developer could establish “good cause” for failing to do so. The OPA has actively participated in these cases to make sure that the good cause exemption is strictly applied.
6. Water Rate Surcharges. Over the past year Maine Water Company has requested several Water Infrastructure Surcharge (WISC), a mechanism to increase rates outside of a formal rate case, in order to cover unexpected costs of new infrastructure improvements. The OPA has been actively involved in these cases, making sure that the WISC surcharge is not creating an unintended short cut to get around the more rigorous review of costs in a formal rate case.

While there are a variety of ways to measure the success of our work, the most obvious is the amount of money saved for Maine utility consumers through our work in regulatory proceedings. OPA’s advocacy this past year saved ratepayers approximately \$87M bringing the OPA’s cumulative ratepayer savings over 43 years to more than \$1B (see page 11).

As important as rates are to consumers, our PUC work extends to additional issues such as: service quality, least cost planning, low-income assistance, “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 Non-wires Alternatives (NWA). In 2019, the Maine Legislature passed a law to implement cost effective alternatives to traditional transmission lines to save ratepayers money. NWAs 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 25).

Our work on PUC cases does not end with the PUC’s Final Order. The 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; (2) the required depreciation rates to be used in setting water utility rates; and (3) an appeal of a PUC rate design order for stranded cost 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 utility issues affecting all New England states, such as

ISO-New England's oversight of the regional transmission grid, electric transmission rates, and rates charged by interstate natural gas pipelines, our attorneys advocate before FERC when needed.

LEGISLATIVE ADVOCACY

OPA appears regularly before the Legislature, trying to help legislators understand the impact on ratepayers of various legislative proposals under consideration. Most of our work is before the Energy, Utilities and Technology (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 45 bills. They included issues such as: renewable energy, price stability, the future role of natural gas, and renewable energy credits (see page 45).

Highlights of the 131st Second Legislative session include the following.

1. Progress in Developing the Northern Maine Renewable Energy Project. (PL 2023, c. 644, LD 2087 and c. 660, LD 1963). As a result of the failure to successfully negotiate for the development of a major renewable energy project in Aroostook County and a major new transmission line to bring that energy to the New England market, the Legislature modified the governing statute to provide a second chance for the negotiations. The new legislation authorizes the OPA to participate in the process. We look forward to playing a constructive role in successfully negotiating the needed agreements with the renewable energy developer and high voltage transmission line developer to make this important project a success.
2. Extending the AMP Program. The OPA was actively involved in extending the 2024 “sunset” provision for the important Arrearage Management Program (AMP) to 2028. As a result, this program which provides much needed relief to low-income ratepayers who fall behind in their utility payments, will continue for another four years.
3. Strengthening Consumer Protections for CEP Customers. (PL 2023, c. 636, LD 2163). At the urging of the OPA, the Legislature took important steps in tightening up the statutory consumer protections rules for CEP customers.
4. Reforming Ratepayer Protection Rules. With support from the OPA, the Legislature strengthened the consumer protection rules for utility ratepayers (LD 1962). One particularly noteworthy provision requires the PUC to adopt rules to protect consumers from having their electricity disconnected during periods of dangerous summer heat waves when air conditioning is needed to provide vulnerable consumers, especially elderly consumers, with relief from life-threatening high temperatures.

CONSUMER EDUCATION AND OUTREACH

Under the capable leadership of our Consumer Advisor, Elizabeth Deprey, OPA responds to approximately 200 calls/month, for assistance with issues ranging from CEP pricing to NEB billing issues and energy conservation (see page 52).

OPA assists customers with questions about their utility bills and issues relating to utility service as well as helping them navigate the Consumer Assistance & Safety Division of the PUC. OPA also supports the development of programs that help to maximize cost effective energy savings.

Whether providing helpful information or actively investigating and advocating for a customer to resolve a billing dispute, OPA continues to be a trusted source of information about rights and protections afforded utility customers.

CLIMATE CHANGE

Under the strong leadership of our Climate Policy Advisor, Susan Chamberlin, the OPA continued its focus on meeting Maine's climate goals in the most cost effective means possible. As we move toward more heat pumps and electric vehicles, and away from oil and gas, we need to be sure our energy and utility regulation support these transitions.

Legislation passed in 2021 added climate change to the issues the PUC is required to address. Specifically, the PUC must consider the state's goal of reducing greenhouse gas (GHG) emissions whenever it is adopting policies or adjudicating disputes (35-A M.R.S. § 103-A). The law requires the Commission to "facilitate" the GHG reduction necessary to meet state climate change goals.

The OPA's Climate Policy Advisor considers what it means to "facilitate" GHG reductions in the context of PUC proceedings whenever utilities, the Commission, and other stakeholders grapple with the statute's implications. The OPA encourages utilities to include in any requests for approval a statement on GHG emission reduction. The exact elements of what it means to "facilitate" GHG reductions may differ from industry to industry. At all times the Commission will be balancing what is required to "ensure safe, reasonable and adequate service, minimize the cost of energy provided to the State's consumers; ensure that the utility rates are just and reasonable; and, also, to reduce greenhouse gas emissions to meet the emissions reduction levels set forth in Title 38, section 576-A." (35-A M.R.S. § 101).

ELECTRIC RATEPAYER ADVISORY COUNCIL

The 18-member Electric Ratepayer Advisory Council (ERAC) created in 2022 continues its important work, analyzing underlying costs and affordability of electricity in Maine. OPA provides staffing for ERAC, and I have the privilege of serving as non-voting Chair of the Council. The State owes a great debt of gratitude to the public members of the Council that give generously of their time. In December, the Council issued its second Annual Report to the Legislature which includes several important recommendations, such as:

1. Close the Affordability Gap. Based on the consulting work of Sage Management Consultants, Inc., the Council reported that there is a significant “affordability gap” facing approximately 100,000 low-income ratepayers (the difference between what they can afford to pay and what they are actually charged for electricity). To help address the growing crisis facing these ratepayers, current funding of Maine’s Low-Income Assistance Program (LIAP) of only \$22.5M/year should be substantially increased.
2. Automatic enrollment of qualifying LIAP ratepayers. The Council urges DHHS to continue its efforts to automatically enroll in the LIAP program those ratepayers who are eligible based on enrollment in other DHHS income eligible programs.
3. Expand AMP program. Modify the Arrearage Management program (AMP) to allow ratepayers to miss two payments, rather than one, before being disqualified from participating in the program and to allow re-enrollment every seven years rather than once in a lifetime.
4. Modify payment of LIAP benefits. Convert LIAP program from annual lump sum program to a monthly bill discount program.
5. Increase LIAP funding. Increase taxpayer funding of the LIAP program by dedicating a portion of the state sales tax on electricity to the LIAP program.

If you would like more information regarding the Council or access to the Council materials, please visit <https://www.maine.gov/meopa/about/reports-and-testimony/council>.

LOW INCOME ASSISTANCE

As part of our consumer advocacy, OPA advocates for expansion and reform 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 overall cost of electricity for residential ratepayers has reached the unusually high level of approximately 25 cents/kWh or almost \$1,800/year 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 or buying needed food or medicine for their families.

COMMITTEES AND WORKING GROUPS

OPA actively participates in several formal and informal working groups where the needs of the utility ratepayer share an interest. For example, we have 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, OPA also actively participated in several other stakeholder groups including the Energy Working Group of the Maine Climate Council, the Offshore Wind Working Group, Maine Yankee Oversight Group, and the FERC Spent Nuclear Fuel Storage Group.

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. We recently completed the attached “History of the OPA,” providing an overview of our 43-year history (see page 58). The [OPA website](#) continues to be expanded and updated, allowing OPA to remain a trusted source for consumer utility information.

MUCH MORE TO DO

Despite all the progress made over the past year, there is still much left to be done. Specifically, we need the following reforms and improvements:

1. Low-Income Assistance. Our LIAP program remains woefully underfunded. Currently, there are over 100,000 low-income households struggling to pay electricity bills. The OPA estimates that approximately \$90M/year is needed for these customers. Unfortunately, our current LIAP funding is only \$22.5M, creating an “affordability gap” of approximately \$67.5M/year.
2. CEP Overcharging. The OPA estimates that Competitive Electricity Providers (CEPs) charge Maine consumers approximately \$10M/year more than what they would pay if they were served by the Standard Offer (SO) provider at the default rate set by the PUC. We suspect that a disproportionate amount of the annual \$10M overcharge falls on low-income customers who are vulnerable to aggressive marketing strategies but least able to afford being overcharged.

3. Rising NEB Costs. The cost of the Net Energy Billing (NEB) program continues to rise. The OPA estimates that the program cost will soon reach \$220M/year. This is a large burden on ratepayers and appears to be substantially more than solar developers need to profitably build and operate solar projects.
4. Utility Disconnections. Too often ratepayers are deprived of utility service for non-payment without first being given a hearing to explain their side of the story. Because utilities are given a monopoly to provide an essential service, the OPA believes ratepayers should be given a hearing at the PUC before a utility is allowed to withhold a utility service as essential as electricity or water.
5. Rising Transmission Rates. One of the fastest growing parts of our electricity bill is the FERC regulated regional transmission rates where the costs of the New England high voltage transmission are recovered from ratepayers. The current system provides little or no meaningful oversight of the billions spent by large investor-owned transmission utilities.
6. Greenhouse Gas Emissions from Gas Utilities. As we address the growing cost of climate change and the need for more renewable energy, we should be focusing on increased GHG emissions resulting from continued expansion of our natural gas utilities. While our gas utilities continue to install more gas pipelines each year, they increase the risk that some of this investment will become “stranded” as we reduce our dependence on natural gas. The OPA wants to make sure that ratepayers are not financially responsible for continuing this risky investment.
7. Rising Storm Restoration Costs. As climate change brings more and more devastating storms resulting in extensive flooding and property damage, we face more and more damage to the electric grid. CMP’s storm restoration costs have increased tenfold over the past several years, and if allowed to continue, will soon cost ratepayers over \$250M/year. Rather than just pass on to ratepayers this rising cost, our T&D utilities must be more proactive in protecting their assets from storm damage and avoiding outages in the first place. This will involve such practices as more tree trimming and stronger utility poles.

The OPA looks forward to working with interested parties on addressing these important issues so we can maintain reliable utility service at affordable rates; and make progress toward meeting our climate goals.

It is a great privilege to represent the people of Maine as their Public Advocate. All 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. We can be reached by phone at (207) 624-3687 and by email at opa@maine.gov.

Sincerely,

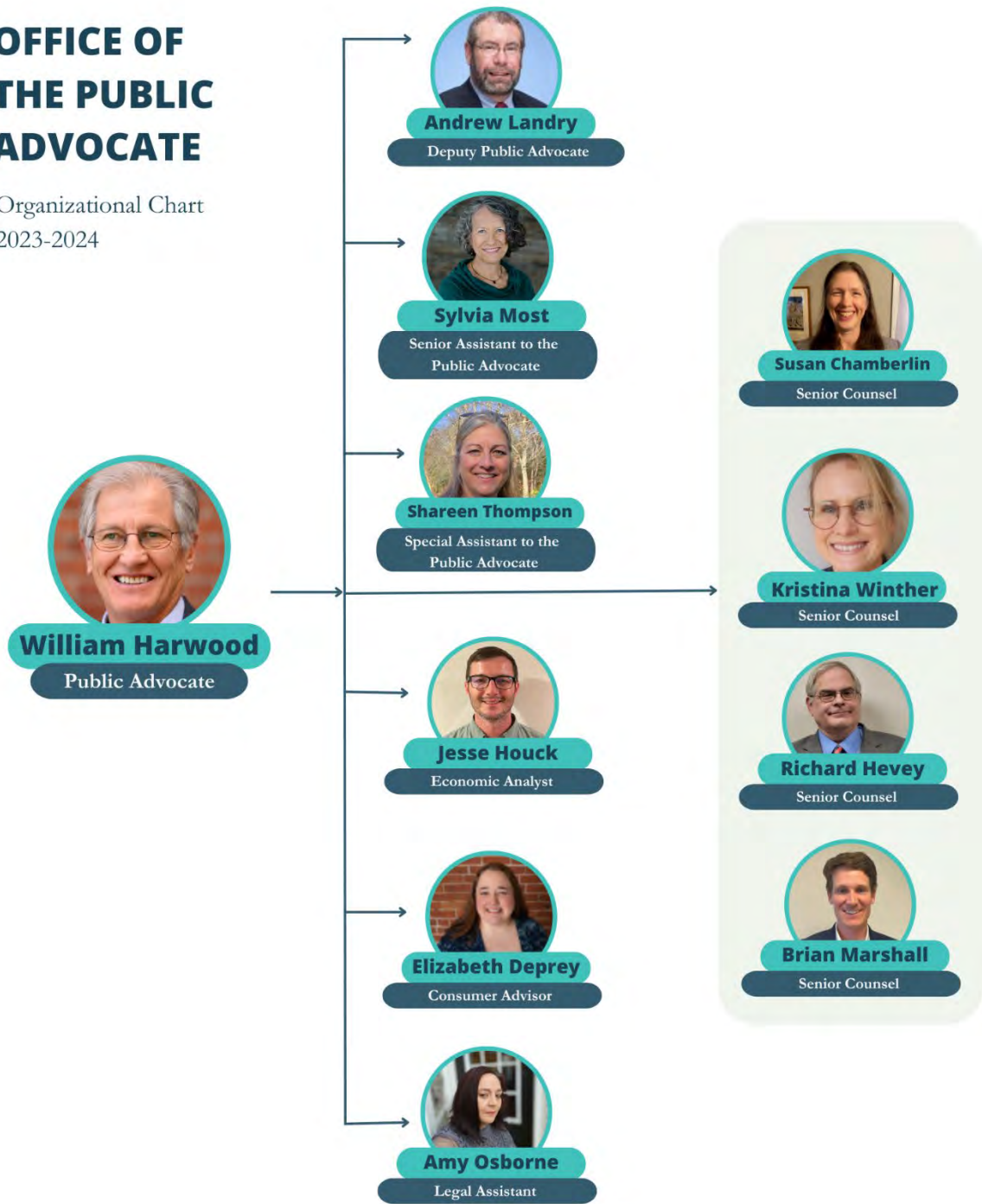
A handwritten signature in cursive script that reads "William S. Harwood".

William S. Harwood
Public Advocate

OFFICE OF THE PUBLIC ADVOCATE ORGANIZATIONAL CHART

OFFICE OF
THE PUBLIC
ADVOCATE

Organizational Chart
2023-2024



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, 2023 to June 30, 2024 resulted in savings of approximately \$87M.

Docket No. 2023-00038, CMP Storm Cost Investigation

The OPA challenged CMP's recovery of 2022 storm costs and argued that the company imprudently failed to follow external contractor staffing guidelines in its Emergency Response Plan required by 35-A M.R.S. § 3144. After lengthy litigation, OPA reached a settlement agreement that included a reduction of \$850,000 in storm costs that will be absorbed by company shareholders instead of ratepayers. The settlement agreement also includes many features designed to improve CMP's efficiency in storm response operations that OPA believes will provide ongoing benefits to customers in the future **\$850,000**

Docket No. 2023-00236 Pittsfield Solar, et al. Request for Good Cause Exemption

The OPA strenuously opposed the request of Pittsfield Solar and several other solar companies representing a combined 22.8 MW of capacity for good cause exemptions to the net energy billing (NEB) commercial operation deadline of December 31, 2024. The Commission ultimately agreed with OPA and denied good cause exemptions. Had these projects been allowed to participate in the NEB program, OPA conservatively estimates that annual cost impact to ratepayers would be approximately \$3.6 million.⁴⁴ Because NEB contracts last for twenty years, the cumulative ratepayer impact of allowing these projects to participate in the NEB program is estimated to be approximately \$72 million. **\$72,000,000**

Docket No. 2024-00078, Versant Stranded Cost Reconciliation

The OPA closely examined the various components of Versant's stranded cost filing and identified several issues that required correction, including: (1) a reduction in costs incurred with respect to Docket No. 2021-00369, the Northern Maine Renewable Energy Project docket; (2) the removal of the regulatory proceeding expenses which will instead be sought through distribution rates in Versant's current distribution rate case, Docket No. 2023-00336; and (3) the removal of Level 1 and Level 2 distributed generation project cost-sharing fees, which do not fit the definition of stranded costs. **\$197,773**

Docket No. 2023-00051, Northern Utilities Rate Case

The OPA fought hard to keep the rate increase sought by Northern Utilities, Inc. d/b/a Unitil (Northern) as low as possible. The OPA believes that it achieved this goal, as the Stipulation between the OPA and Northern resulted in a revenue requirement increase of \$7,625,000, which is significantly lower than Northern's initial request of \$11,756,977. The diligent work of the OPA's expert witnesses and the PUC Staff drove this outstanding result.

Given that the final result in this case was based largely on OPA’s advocacy, OPA counts two-thirds of this amount as savings attributable to OPA. **\$2,768,424**

Docket No. 2023-00321, UGE USA, Inc., Request for Advisory Ruling

UGE USA, Inc. (UGE) had sought an Advisory Ruling from the PUC that would have allowed two .999 MW projects to participate in net energy billing that would have been located in close geographic proximity to other UGE projects. The OPA successfully argued that that because each project would be located on the same parcel of land as another UGE project, they do not constitute separate generating facilities. Rather, the two projects should be treated as a single facility for purposes of NEB eligibility. This result is consistent with the position of the OPA as filed in this proceeding. **\$3,150,000**

Non-wires Alternative Savings

Between July 1, 2023 and June 30, 2024, the State’s Non-wires Alternatives Coordinator (NWAC) and the OPA screened 51 proposed transmission projects for potential cost reductions through the implementation of Non-wires Alternatives. Of these, the NWAC completed 23 detailed project reports identifying the potential for \$24M-\$27.7M in savings. OPA has reached agreement with CMP on NWAs with ratepayer savings over the lifetime of the projects in the range of \$6M-\$9.7M. **\$6,000,000**

Docket No. 2022-00244, Augusta Area Transmission Project

Following review of CMP’s proposed Augusta Area Transmission Project by the OPA and the Non-wires Alternative Coordinator, the OPA reached an agreement with CMP to reroute a section of the line (Docket No. 2022-00244). The review process identified the potential to reduce the route by 1.8 miles saving approximately \$1.1 million dollars compared to the cost of the original route. **\$1,100,000**

Docket No. 2024-00040, Unitil Targeted Infrastructure Replacement Adjustment (TIRA) Cost Recovery

Each year since 2011, Unitil has asked for a rate increase to recover costs for the previous year’s work on a 14-year project to replace 77 miles of aging pipe and other infrastructure. The OPA identified that customers were not receiving full credit for avoided leak repair costs resulting from the pipe replacement and asked for the PUC to reduce Unitil’s recovery by that amount. The PUC agreed, resulting in a savings to customers **\$6,054**

Docket No. 2023-00065, Maine Water Company’s Request for a Rate Increase for Biddeford & Saco Division

The OPA opposed certain expenses and the rate of return on capital investments that the Maine Water Company (MWC) sought for the Biddeford & Saco Division. After negotiations between the OPA and MWC, MWC agreed to reduce the annual revenue increase it originally was seeking from to \$2,948,810 to \$2,602,747..... **\$346,063**

Docket No. 2023-00101, PUC Investigation of Billing Practices of Bangor Water District (BWD)

The OPA advocated in support of a decision issued by the PUC’s Consumer Assistance and Safety Division (CASD) that BWD customers were owed a refund because BWD had violated the law by charging a new higher rate for water consumed before the new rate had taken effect. **\$79,000**

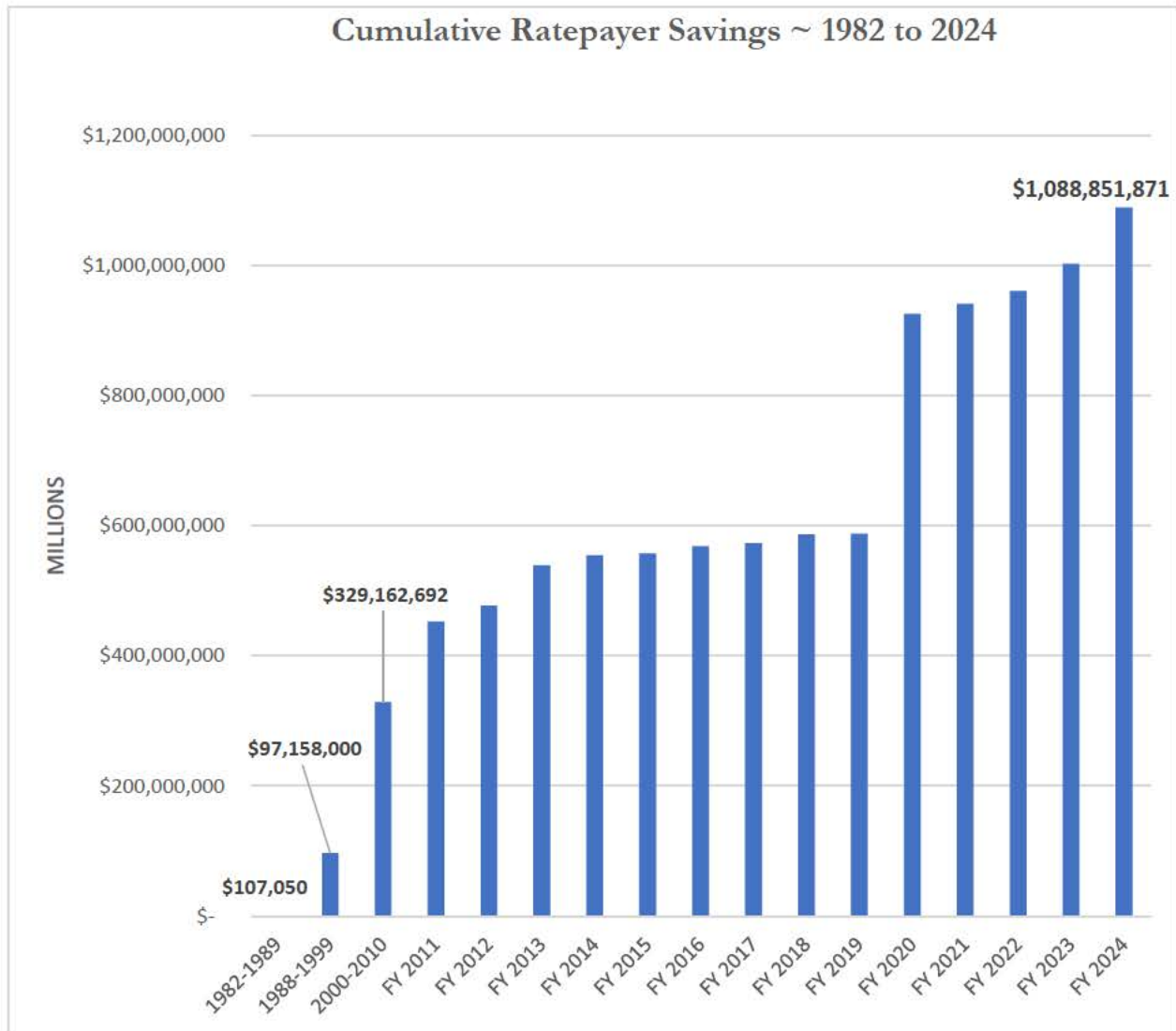
Docket No. 2024-00077, OPA Settles Versant Revenue Decoupling Proceeding

OPA and Versant Power reached settlement to increase the refund to customers in its annual Revenue Decoupling proceeding to reflect a corrected calculation beginning on July 1, 2024. **\$38,759**

TOTAL SAVINGS FY2024: \$86,536,073

¹¹¹ This calculation assumes a capacity factor of 18% and a subsidy of 10 cents per kWh.

CUMULATIVE RATEPAYER SAVINGS COMPARISON



ELECTRICITY

OPA Contests Versant Power Request for Distribution Rate Increase, Docket No. 2023-00336.

On March 1, 2024, Versant Power filed a distribution rate case with the Public Utilities Commission, seeking a rate increase of \$34,146,335, which would result in an increase of 25.6% of current rates. Main drivers of the proposed rate increase are increased capital spending; recovery of approved regulatory assets (such as storm costs); inflationary impacts on operating costs; increased payroll (including increased headcount and higher wages); increased IT costs; and higher vegetation management costs.

After evaluating the proposed rate increase, on June 14, 2024, OPA filed its case in opposition. OPA's witnesses testified that Versant's proposed increase should be reduced by \$8,631,697 (\$25,515,638 instead of \$34,147,335). The OPA included adjustments for tax adjustments; a decrease to insurance expenses; a payroll decreases of \$2,862,507 for new positions that may not be filled; a decrease in allowed payments under the Company's Long-Term Incentive Plan; a reduction in bad debt expense due the Company's poor credit and collections management; and adjustments to cash working capital.

The current litigation schedule calls for a final decision in February 2025.

OPA Challenges New England Transmission Owners Over Budget for Asset Condition Projects.

The Maine OPA has played a leadership role in challenging the proposed acceleration in the construction of asset condition transmission by the New England Transmission Owners (NETOs).

Asset condition projects involve the replacement of existing transmission facilities with new facilities that will perform the same function. The decision to replace existing facilities is based on the age or physical condition of the facilities rather than a desire to expand the capacity of the facilities or increase their reliability for reasons other than the condition of the facilities. Under existing rules, such projects are not generally subject to scrutiny by ISO-NE as part of its planning process in the same manner as transmission upgrades. In 2023, the NETOs increased their estimate of the cost of replacing existing transmission lines over the next five years by 50% from previous estimates to approximately \$5 billion. Maine consumers would be responsible for approximately 9% of this cost.

Delaying a project, even for a short period, or more carefully targeting a project to address specific areas of greatest need present significant opportunities to obtain ratepayer savings. Further, delaying a decision to move forward with an asset condition project allows ISO

New England to review the potential “right sizing” of the project in accordance with federal policy. Failure to right size has the potential to result in the construction of duplicative facilities or, worse, the subsequent reconstruction of virtually brand-new lines to accommodate future needs.

The Maine OPA joined the Massachusetts Attorney General’s Office, the Connecticut Office of Consumer Counsel, the New Hampshire Office of the Consumer Advocate, and the Rhode Island Division of Public Utilities and Carriers (collectively Consumer Advocates of New England; CANE) in petitioning ISO-New England for reforms to the review process for asset condition projects. We believe this process must be more transparent.

In addition to seeking to modify the review process, in September the OPA filed a series written discovery requests to the New England Transmission Owners regarding proposed projects they included in 2024 rates. Following receipt of responses to these questions, the OPA initiated an informal challenge to these costs in regional rates, on the grounds that the NETOs had not demonstrated that the investments were needed. Subsequently, on January 31, 2024, the OPA filed a formal challenge with the Federal Energy Regulatory Commission (FERC) in FERC Docket No. ER20-2054. FERC Staff has issued several discovery requests to the NETOs and the OPA. This matter remains pending at FERC.

OPA Secures Reduction in Storm Costs Recovered from Ratepayers and Other Key Changes in Storm Cost Procedures in Settlement with Central Maine Power.

As part of CMP’s 2023 annual filing to recover assorted costs that it is allowed to reconcile, Docket No. 2023-00038, the company requested recovery of more than \$115 million in costs for storms in 2022. The OPA investigated these costs and identified multiple issues including:

- The company was not following its own Emergency Response Plan external staffing guidelines in responding to storms.
- The company had failed to obtain contractor pricing information prior to hiring contractors to restore power
- The company failed to obtain time sheets and other information to support invoices received from contractors.

Given these findings, the OPA opposed recovery of the requested storm cost amount and argued that a significant portion of CMP’s storm costs were imprudently incurred. After lengthy litigation, the OPA and CMP reached a settlement agreement that required shareholders to absorb \$850,000 in storm costs, required CMP to update and follow its Emergency Response Plan, and required CMP to obtain contractor pricing and time sheets to ensure that the Company is not overpaying for outside contractors during storms.

As a follow-on to this proceeding the OPA has retained outside experts to conduct a detailed review of CMP's storm handling practices. Over the next several months, the OPA will present a report to the Commission with specific recommendations designed to reduce storm outages and costs for customers. Prudent investment in system upgrades have the potential to prevent outages before they occur, can reduce storm restoration times and reduce number and duration of customer outages.

OPA Opposition to Good Cause Exemptions to Six Solar Companies Saves Ratepayers Millions.

As part of recent amendments to the net energy billing statute, the Legislature imposed statutory development milestones that projects are required to meet in order to participate in the program. One milestone is that projects must reach commercial operation by the end of 2024. However, the statute also included a "good cause" exemption clause that allows the Commission to grant exceptions to the commercial operation deadline requirement if a project can demonstrate that the delay was due to an external event outside of its control.

In Docket 2023-00236, Pittsfield Solar and five other solar companies filed petitions for good cause exemptions, arguing that due to delays in the completion of a "cluster study" required by ISO-NE, the projects were unable to meet the statutory commercial operation deadline. The OPA opposed the petitions and argued that lengthy cluster study timelines should not be considered an "external delay" for purposes of a good cause exemption because they are an inherent part of the interconnection process.

The Commission agreed with the OPA and denied the petitions. As a result, these projects will not be eligible for the generous NEB subsidies that are paid for by ratepayers, saving ratepayers millions of dollars per year.

One of the affected solar companies has now filed an appeal to the Law Court. The OPA intends to participate in the appeal and vigorously defend the Commission's decision.

OPA Fends Off Weak Settlement in Electricity Maine Enforcement Proceeding and Urges Commission to Revoke Electricity Maine's License Over Unfair and Deceptive Trade Practices.

Since early 2023, in Docket No. 2023-00024 the Commission has been investigating Electricity Maine, LLC (Electricity Maine) for numerous violations of Maine law and Commission rules over its decision to transfer all its customers to a variable rate of up to 40 cents per kWh without obtaining customers' express consent. As a result of Electricity Maine's outrageous conduct, its customers' bills increased by hundreds of dollars—triple their previous bills—leaving customers confused, furious, and desperate to reduce these charges. Electricity Maine's conduct meets the Federal Trade Commission's test for unfair and deceptive trade practices, which are contrary to both Maine law and Commission rule.

This is not the first time Electricity Maine has been under investigation by the Commission. Following a string of documented deceptive marketing practices by Electricity Maine's sales agents, in 2021 the Commission sanctioned Electricity Maine for what it described as "serious willful violations of the Commission's customer protection standards."

The OPA filed lengthy testimony, supported by almost sixty exhibits, documenting Electricity Maine's numerous violations of law and rules. In addition, the OPA identified dozens of instances in which Electricity Maine's customer service representatives provided false information to customers, including telling them that the standard offer rate varies by month, that the company had numerous offices in the State of Maine when it in fact has none, and that customers were transferred to the variable rate due to changes in state regulations.

Despite the seriousness of these violations, the company reached a settlement agreement with the Commission's advocacy staff that would have required the Company to provide only two months of refunds to affected customers and make other minor administrative changes.

The OPA opposed the settlement agreement because it failed to adequately sanction Electricity Maine, LLC as a repeat offender. In a 2-1 decision, the Commission agreed with the OPA and rejected the Stipulation, allowing the case to proceed.

The OPA continues to litigate the case and has asked that the Commission permanently revoke Electricity Maine's license to operate.

OPA Fights for Sensible Stranded Cost Rate Design.

In April 2023, the Commission issued an order on stranded cost rate design in Docket No. 2022-00160 in which it required that costs from the State's expanded Community Solar/Net Energy Billing (NEB) program be collected through the imposition of higher customer charges rather than through volumetric (i.e., per kWh) charges as had previously been done. The OPA had opposed this approach on the grounds that it would unfairly burden lower usage customers, including both residential customers with fixed or moderate income and commercial customers with relatively low usage within the class under which they take service.

Following the conclusion of Docket No. 2022-00160, several large generators, including a number of wind and other renewable projects, requested that the Commission reopen the decision to consider the adverse impacts that they were experiencing from this significant change in rate design. In response, the Commission opened a new proceeding, Docket No. 2023-00230, to review these impacts. Separately, the Industrial Energy Consumer Group (IECG) appealed the decision to the Maine Law Court.

In Docket No. 2023-00230, OPA argued that the "one size fits all" nature of customer charges overburdens smaller customers within each rate class. For instance, CMP's MGS

commercial rate class imposes the same fixed customer charges for customers from 20 kilowatts of demand up to 400 kilowatts of demand, meaning that customers the smallest customers in the class pay the same amount as customers that are twenty times (20x) their size. To address this concern, the OPA proposed that NEB-related stranded costs be collected from commercial classes based on a demand charge rather than a fixed customer charge. This approach would address the wide variation in customer size within the commercial classes. For residential classes, which are not subject to a demand charge, the OPA recommended increasing the number of kilowatt hours of energy included with the customer charge, thereby reducing the disproportionate impact of the customer charge on lower usage customers.

In its appeal of the decision in Docket No. 2022-00160, IECG argued that the Public Utilities Commission did not have an adequate record on which to base its decision and that the Commission failed to comply with requirements of Maine statute. In addition to these traditional grounds for appeal, IECG argued that the Maine Net Energy Billing program is unconstitutional, arguing that it sets prices for electricity sold at wholesale in violation of the exclusive jurisdiction of the federal government to do so.

The OPA responded to the IECG's appeal by filing a brief in support of the Commission's Order. Although the OPA believes that the Commission should revisit the rate design for recovery of NEB costs, which the Commission was doing by opening Docket No. 2023-00230, the OPA argued that the Commission's Order in Docket No. 2022-00160 was reached in a procedurally proper manner. The Law Court issued its final decision on August 8, 2024, agreeing with the OPA's position.

In May, the Commission concluded its investigation in Docket No. 2023-00230 without changing the rate design for recovery of NEB related costs, thereby allowing the fixed charge methodology for recovery of NEB costs to remain in place for another year. However, it also decided to open a further investigation to consider rate design alternatives, which it did by issuing a Notice of Investigation on July 2, 2024 in Docket No. 2024-00137. The OPA has been active in the initial stages of this proceeding and has engaged rate design experts to provide testimony.

OPA Reaches Settlement that Provides Revenue Decoupling Mechanism Credits for Versant Power Customers.

The OPA and Versant Power reached a settlement to increase the refund to customers in its annual Revenue Decoupling proceeding, Docket No. 2024-00077, to reflect a corrected calculation beginning on July 1, 2024. Versant Power's Revenue Decoupling Mechanism (RDM) allows the Company to adjust distribution rates outside of a regular rate case proceeding based upon the difference between actual sales as compared to its sales levels as previously estimated for the year. Versant Power had originally sought to return to customers \$999,630 for the RDM adjustment for the period January 1, 2023 through

December 31, 2023. Through the settlement process, Versant re-calculated the applicable carrying costs, resulting in a total RDM credit to customers of \$1,038,389.

OPA Challenges Versant Request for Changes in Stranded Cost Rates.

On March 29, Versant Power made its annual filing to set rates to recover so-called stranded costs in Docket No. 2024-00078. The costs addressed in this filing include the remaining cost of commitments made by Versant prior to electric industry restructuring, such as those related to pre-restructuring power purchase agreements, the cost of long-term power contracts entered into pursuant to State law such as contracts with large wind projects, and the costs related to the State's net energy billing programs.

Versant computes different stranded cost rates for each of its two operating divisions (i.e., its Bangor Hydro District and its Maine Public District). For the 2024-25 period covered by the proposed new rates, Versant was seeking a 6% decrease for its Bangor Hydro District from \$32,640,018 to \$30,767,283. In contrast, for its Maine Public District, Versant was seeking a 60% increase in its stranded cost revenue requirement from \$8,142,390 to \$13,030,184.

The OPA participated actively in this proceeding, by issuing written discovery requests of Versant and by participating in settlement conferences. In conjunction with Staff of the Public Utilities Commission, the OPA identified several issues which through a settlement agreement reduced the amount of stranded costs to be recovered by Versant. These issues include:

- A reduction in costs of \$80,000. A compromise of a disputed claim regarding the costs incurred by Versant with respect to Docket No. 2021-00369, the Northern Maine Renewable Energy Project docket, about which the Staff and OPA raised various questions during this proceeding.
- The removal of the regulatory proceeding expenses (\$104,516) for which Versant will be allowed to seek recovery in its current distribution rate case, Docket No. 2023-00336.
- The removal of \$13,257 in Level 1 and Level 2 distributed generation project cost-sharing fees, which do not fit the definition of stranded costs. The proper treatment of such costs will be addressed through a separate proceeding.

The Commission approved the settlement reached by the OPA and the company by Order dated June 20, 2024, for rates effective July 1, 2024.

OPA Actively Reviews Versant Power's Request for Recovery of Storm Costs.

On June 15, 2023, Versant Power filed a Petition for Approval of Accounting Order, seeking to defer, for recovery in a future rate case, approximately \$5.5 million in incremental distribution costs used for restoration of service following a windstorm on December 23, 2022 (Docket No. 2023-00140). After extensive discovery, the OPA determined that Versant

had demonstrated that an accounting order was appropriate given the extraordinary nature of this storm. Also, the Company demonstrated that it followed its System Emergency Operations Plan (“SEOP”) and appropriately responded to this significant storm event. Therefore, the OPA supported the Petition for an accounting order based on the specific facts of this case. The Public Utilities Commission agreed with the OPA’s position and on October 17, 2023, issued an Order granting Versant’s request for an accounting order.

Subsequently, Versant filed a request for accounting order for a waiver regarding major event days element of its Service Quality Index concerning the December 12, 2023 storm in Docket No. 2024-00045. In particular, Versant missed its “Calls Answered in 30 Seconds” metric for 2023 with the inclusion of the December 2023 Storm period. The OPA opposed this request on the grounds that while the storm itself was severe, a single severe storm should not be viewed as an extraordinary circumstance. While the December 2023 Storm was clearly beyond Versant’s control, any storm would meet this standard. In the OPA’s view, the relevant question is Versant’s ability to control its call center staffing during this particular storm, which the OPA argued was within its control. This request remains pending at the Commission.

Finally, Versant filed a request for accounting order, in Docket No. 2024-00046, to authorize it to recover, in its current distribution rate case, approximately \$4.1 million in incremental costs arising from its power restoration efforts in response to damage caused by Hurricane Lee in September 2023. As in Docket No. 2023-00140, the OPA conducted extensive written and oral discovery, including a review of all invoices related to the restoration costs for this storm. Again, in the OPA’s view, Versant demonstrated that it followed its SEOP in securing resources to assist with power restoration. The OPA expects that a settlement agreement will be reached shortly in the proceeding.

OPA Advocates for More Funding for Low-Income Customers.

On March 18, 2024, the Public Utilities Commission made its annual recommendations for funding the Statewide Low-Income Assistance Program (LIAP) for the 2024-25 Program Year in Docket No. 2024-00058. LIAP provides electric bill credits for qualifying low-income customers. The Public Utilities Commission recommended continuing the temporary expansion of LIAP eligibility to include any ratepayers enrolled in a DHHS means-tested programs with income $\leq 150\%$ of the federal poverty level, and to maintain the current annual budget of \$22.5 million. The OPA agreed with the Commission’s recommended extension of expanded eligibility but argued that \$1.3 million in unspent funds from 2022-23 be added to the 2024-25 LIAP budget. The OPA also requested an additional \$6.2 million in ratepayer funded support be added to the budget, based on rising participation in LIAP, the Arrearage Management Program (AMP), and DHHS’s financial

assistance programs. At its deliberations on April 2, 2024, the Commission declined to accept the OPA's recommendations.

OPA Submits Comments with the US Department of Energy on its Draft Interconnection Roadmap.

The OPA provided comments to the Department of Energy (DOE) on a draft of the Interconnection Innovation e-Xchange (i2X) Transmission System Interconnection Roadmap (Interconnection Roadmap). In response to the large increase in interconnection requests and the resulting backlog, the Interconnection Roadmap identifies opportunities for changing the interconnection process to benefit all stakeholders. The OPA expressed concern about cost impacts on residential consumers, particularly low to moderate income consumers, if the cost recovery methods were to shift costs from the interconnecting generator to all other customers. Using transmission rates to collect the cost of public policy initiatives acts as a regressive tax, since low and moderate-income customers devote a larger percentage of their incomes to energy-related expenses. This equity concern should be expressly considered when making interconnection cost recovery decisions. The OPA also highlighted the challenges to interconnecting battery systems under ISO-NE study requirements that make it more difficult to interconnect batteries in congested areas where batteries are most needed.

OPA Advocates for Balanced Approach in Grid Priorities Investigation.

The OPA participated in workshops for the Commission Proceeding to Identify Priorities for Grid Planning Filings (Docket No. 2022-00322). The OPA filed comments emphasizing the need for flexible, cost-effective investments during this time of transitioning to greater electric vehicle and heat pump use. If the grid plan is developed as if utilities alone must build out infrastructure to meet projected peak conditions the grid will remain stuck in the framework of the past.

The OPA advocated for the Priorities to include room for innovation through grid enhancing technologies, as well as traditional means of shifting or reducing peak load through demand side management, storage options, and rate design.

In its order, the Commission required utilities, for the first time, to include plans to meet climate change initiatives in their long-term planning documents. Further, such grid plans must include a discussion of how the utility's grid plan, proposed investments, and operations will improve reliability and resiliency; enable the cost-effective achievement of the state's climate policies and GHG emission reduction obligations; and keep costs manageable.

OPA Successfully Argues Against Adjacent Projects Being Treated as Discrete Electric Generating Facilities for Purposes of Net Energy Billing.

UGE USA, Inc. (UGE) had sought an Advisory Ruling from the Public Utilities Commission that would have allowed two .999 MW projects to participate in net energy billing that would have been located in close geographic proximity to other UGE projects.

On December 8, 2023, UGE USA, Inc. (UGE), a developer of commercial and community solar projects, petitioned the Commission for an Advisory Ruling finding that two pairs of solar facilities that are in various stages of development should be determined to be discrete generating facilities pursuant to Chapter 313 of the Commission's rules governing Net Energy Billing (NEB) (Docket No. 2023-00321). The two pairs of projects that were the subject of UGE's petition comprised:

- One facility of 999 kW that is already under development.
- One facility of 999 kW that is contingent to the first project.

UGE argued that each project should be treated as separate independent projects, rather than combined into a single larger 2 MW project which must begin commercial operation by December 31, 2024 (absent the receipt of a good cause exemption). Chapter 313 of the Commission rules set forth restrictions on co-location of facilities that seek to be eligible for NEB.

The OPA opposed the request on the basis that UGE failed to explain how these projects satisfy either the safe harbor criteria or the multi-factor test previously adopted by the Commission when considering whether projects in geographic proximity should be treated as one facility or two. The OPA argued that that because each project would be located on the same parcel of land as another UGE project, they do not constitute separate generating facilities. Rather, the two projects should be treated as a single facility for purposes of NEB eligibility. This result is consistent with the position of the OPA as filed in this proceeding.

Based on the information provided by UGE, on April 9, 2024, the Commission agreed with the OPA that the two projects would not meet the applicable standards for being considered separate facilities.

PUC Denies OPA Access to CEP Data.

On April 23, 2024, the OPA filed a request seeking access to data held by Central Maine Power Company and Versant Power relating to the provision of residential supply service by competitive electricity providers (CEPs) in Docket No. 2024-00090. The OPA sought this information to continue its research into the impact of CEP pricing practices on Maine consumers. Previous research conducted by the Public Utilities Commission and the OPA has demonstrated that Maine residential consumers have annually paid millions of dollars to CEPs in excess of standard offer rates. The Commission denied the OPA's request in an Order dated July 16, 2024, ruling that the OPA does not have statutory authority to investigate CEP rates.

The OPA is disappointed by the Commission decision and will continue to research the effects of competitive supply on residential customers, with an eye toward determining if low-income customers are more negatively affected than other groups of customers. The OPA has subsequently requested that the Commission open its own investigation into potential overcharging of residential customers by CEPs.

OPA Reaches Settlement in Kennebunk Light & Power Overbilling Case.

On January 31, 2024, the OPA and the Kennebunk Light & Power District (KLPD) reached a settlement in Docket No. 2023-00233 to resolve issues related to KLPD's overbilling of customers for prior unauthorized rate increases. KLPD raised its rates four times since 2019 without following applicable Public Utilities Commission regulatory requirements. In its initial filing, KLPD requested approval from the Commission for the issuance of refunds to customers based on previously and erroneously assessed charges due to the unauthorized rate increases. Under the terms of the settlement, prior and current customers who are owed refunds greater than one dollar will receive individual refunds, based on their individual usage. In the settlement, KLPD recognizes the gravity of its failure to seek Commission approval of the rate increases and agreed to conduct training for its Board of Trustees, management, and employees on applicable regulatory requirements governing rate changes.

OPA Advocates Limited Exception for Utilities to Own Battery Energy Storage Systems.

During the 2023 legislative session, the Legislature enacted An Act Relating to Energy Storage and the State's Energy Goals. The Public Utilities Commission opened an inquiry under Docket No. 2023-00316 to solicit stakeholder input. The OPA filed comments arguing that utility ownership of Battery Energy Storage Systems (BESS) should be limited to reliability purposes when a market-based alternative will not meet the identified need. To the largest extent possible, BESS implementation should be left to the competitive market. The OPA supports limiting utility ownership of BESS to situations where ownership is necessary for the utility to perform its obligations as a transmission and distribution utility in an efficient manner. In its March 13, 2024 "Report on Utility Control or Ownership of Energy Storage (Public Law 2023, chapter 374)" the Commission concluded, consistent with the OPA's position, that with respect to any statutory directive to procure energy storage through the award of long-term contracts or similar subsidies, any use of ratepayer funds should be limited to specific cases, locations, and deployment times that demonstrate actual benefits to ratepayers and to the distribution system.

OPA Supports Plus Power Battery Storage Project, Docket No. 2023-00224.

The OPA reached agreement with Plus Power, the Maine Governor's Energy Office and CMP to allow the interconnection line for a 175 MW battery project to be constructed without further regulatory review based on the specific facts of this proposal. The interconnection will not be used by entities other than Plus Power, will not be open to

public use, and will exist solely for the purpose of electrically and physically interconnecting the project to CMP's system. The Commission agreed with the parties that the line is the functional equivalent of a "generation interconnection transmission facility" within the meaning of the NWA statute. Such lines are granted an exemption from non-wires alternative review. As no portion of the Plus Power battery project, including operation and maintenance costs, will be funded by CMP customers, the OPA supported the agreement to facilitate the battery's interconnection.

OPA Supports Reasonable Funding for Offshore Wind.

The OPA continues its participation in the confidential negotiations for a purchase power agreement between New England Aqua Ventus, LLC ("NEAV"), and Maine utilities to support a floating offshore wind research array. Through its participation, the OPA is seeking to find the lowest reasonable cost for implementing this project. If approved by the Public Utilities Commission, the project will benefit from the country's first research lease in the Gulf of Maine, recently issued by the Federal Bureau of Ocean Energy Management. The negotiations stem from the Maine legislature's, "Act to Encourage Research to Support the Maine Offshore Wind Industry" L.D. 336, P.L. 2021, Chapter 327. The Act requires the negotiation and approval of a long-term contract of at least 20 years for capacity, energy or renewable energy credits to be generated by a floating offshore wind research array project. The research array will use floating offshore wind platform technology designed by the University of Maine. UMaine's floating platform, known as VoltturnUS, was recently awarded a \$12.5 million grant from the U.S. Department of Energy for its innovative design. The research array will further the goals of reducing costs of offshore wind development through innovation and accelerating industrialization, while protecting Maine's environment and fishing industries. Because it generates power with a high-capacity factor throughout the year, offshore wind has the potential to play a significant role in the efforts of Maine and the New England region to meet its greenhouse gas reduction goals.

NON-WIRES ALTERNATIVES

The Non-wires Alternative (NWA) initiative began in 2019, when the Legislature enacted LD 1181 "An Act to Reduce Electricity Costs through Non-wires Alternatives." As a result, the NWA Coordinator (NWAC) 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 at a lower cost for ratepayers. The NWAC meets regularly with Central Maine Power (CMP), Versant Power (Versant), Efficiency Maine Trust (EMT) and the OPA to analyze utility investment proposals. Maine law requires the Public Utilities Commission to consider NWAC recommendations before approving utility investments for significant transmission and distribution projects. Many of these reviews result in consensus plans that reduce utility

spending and the resulting rate impact on consumers. If the stakeholders do not reach agreement, parties file their positions before the Commission for resolution.

The NWAC screened 51 projects between July 2023- June 2024. Of these, the NWAC completed 23 detailed project reports identifying the potential for \$24M-\$27.7M in savings. OPA has reached agreement with CMP on NWAs with ratepayer savings over the lifetime of the projects in the range of \$6M-\$9.7M.

OPA Reaches Agreement Resulting in \$1.1 Million in Savings Related to Augusta Area Transmission Project.

Following review of CMP's proposed Augusta Area Transmission Project by the OPA and the Non-wires Alternative Coordinators, the OPA reached an agreement with CMP to reroute a section of the line (Docket No. 2022-00244). CMP proposed rebuilding the line to improve reliability. The review process identified the potential to provide service using another more direct route. The alternative corridor removes about 1.8 miles of existing transmission line, which will no longer need to be maintained. This alternative saved approximately \$1.1 million dollars compared with the cost of the original route. This route also includes fewer wetlands and therefore less environmental impact.

OPA Proposes an \$18M Reduction to CMP'S \$89M Rebuild Project.

The OPA sought an investigation into Central Maine Power (CMP's) Highland substation \$89 million rebuild project. (No. 2023-00268) to analyze whether the substation rebuild was the least costly means of meeting the reliability needs of the Mid-Coast region. The NWAC found that an \$18M synchronous condenser is not needed as the projected new load for the area is highly uncertain. As noted in the Portland Press Herald, the Maine Department of Environmental Protection suspended Nordic Aquafarm's permits because of pending litigation and the Maine Bureau of Parks and Lands rescinded its leases until the rights to certain lands are established. (Portland Press Herald, January 1, 2024). Given this uncertainty, the OPA argued it would be prudent to wait before investing in the \$18M synchronous condenser. The Public Utilities Commission rejected this argument, allowing the additional \$18 million investment to proceed based on a concern that the future load could eventually materialize.

OTHER ELECTRICITY CASES

Public Utilities Commission, Request for Review of Protective Orders for Competitive Electricity Providers Annual Report Information 2022, Docket No. 2023-00003

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

Public Utilities Commission, Commission Initiated Inquiry Regarding Management and Sale of Transmission and Distribution Supply Portfolios, Docket No. 2023-00023

Public Utilities Commission, Commission Initiated Investigation to Establish Assessment and Apportionment Amounts for Low-Income Assistance Plan and Assessment Amounts for Oxygen Pump and Ventilator Programs Pursuant to Chapter 314, Docket No. 2023-00056

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

Central Maine, Request for Approval of An Accounting Order for Lump Sum Retirement Payments Pertaining to Central Maine Power Company, Docket No. 2023-00139

Versant Power, Request for Approval of An Accounting Order Pertaining to Versant Power, Docket No. 2023-00140

Central Maine Power, Request for Approval of Modification of Chapter 313 Rule - NEB Pertaining to Central Maine Power Company, Docket No. 2023-00165

Public Utilities Commission, Commission Initiated Inquiry into Whether a Certificate of Public Convenience and Necessity or a Non-wires Alternative Review Are Required for Central Maine Power Company's Highland Substation, Docket No. 2023-00173

Public Utilities Commission, Commission Initiated Inquiry Regarding Temporarily Expanding Low-Income Assistance Plan Eligibility, Docket No. 2023-00175

Central Maine Power, 10-Person Complaint Regarding Street Lights Pertaining to Central Maine Power, Docket No. 2023-00179

Bold Coast Energy, Request for Approval of Early Termination of PPA Pertaining to Bold Coast Energy, LLC, Docket No. 2023-00184

Public Utilities Commission, Commission Initiated Inquiry Regarding an Alternative Compliance Payment for Class II Resources, Docket No. 2023-00194

Spinning Mill LLC, Request for Advisory Ruling Regarding Private and Direct Sales of Electricity Pertaining to Spinning Mill LLC, Docket No. 2023-00207

Public Utilities Commission, Commission Initiated Investigation into an Oxygen Pump and Ventilator Program, Docket No. 2023-00208

Office of the Public Advocate, Request for Petition to Initiate Proceeding to Examine the Impact of Net Energy Billing on Standard Offer Prices Pertaining to the Office of the Public Advocate, Docket No. 2023-00216

Caribou Solar LLC, Request for Determination of Continuous Construction Pursuant to Chapter 313 Pertaining to Caribou Solar LLC, Docket No. 2023-00226

Public Utilities Commission, Commission Initiated Inquiry Regarding Arrears Management Program, Docket No. 2023-00239

Public Utilities Commission, Commission Initiated Inquiry Regarding Standard Offer Service Procurement Strategy, Docket No. 2023-00258

Public Utilities Commission, Commission Initiated Inquiry into Compliance with Chapter 324 Timelines, Docket No. 2023-00260

Public Utilities Commission, Commission Initiated Inquiry Regarding Competitive Electricity Providers Serving Low-Income Customers, Docket No. 2023-00275

US Solar DG Development LLC, Request for Approval of Good Cause Exemption Pursuant to 35-A M.R.S. Section 3209-A Pertaining to US Solar DG Development LLC, Docket No. 2023-00328
Office of the Public Advocate, Request for Approval to Open Proceeding for Distributed Generation Procurement Under New Legislation (LD 1986) Pertaining to Office of the Public Advocate, Docket No. 2023-00281

Public Utilities Commission, Inquiry Regarding Climate Change Protection Plans, Docket No. 2023-00282

NEXAMP, Request for Approval of a Waiver of Chapter 815 Section 4 Pertaining to NEBPS (NEXAMP, Nautilus, Perch, Arcadia and Energywell), Docket No. 2023-00288

Public Utilities Commission, Commission Initiated Inquiry to Facilitate Preparation of LD 1456 Report Re Expansion of Broadband, Docket No. 2023-00300

NextGrid Bitterbush, Request for Approval of a Waiver of Chapter 313 Pertaining to NextGrid Bitterbush LLC, Docket No. 2023-00301

Pembroke Solar, Request for Approval of Good Cause Exemption Pursuant to 35-A M.R.S. Section 3209-A Pertaining to Pembroke Solar LLC, Docket No. 2023-00304

Nautilus Solar Energy, Request for Determination of Continuous Construction Pursuant to Chapter 313 Pertaining to Nautilus Solar Energy, Docket No. 2023-00332

Ellsworth Renewables, Request for Approval of Good Cause Exemption Pursuant to 35-A M.R.S. Section 3209-A Pertaining to Ellsworth Renewables LLC, Docket No. 2023-00333

Green Ash Solar, Request for Approval of Good Cause Exemption Pursuant to 35-A M.R.S. Section 3209-A Pertaining to Green Ash Solar LLC Pertaining to Green Ash Solar LLC, Docket No. 2023-00334

Public Utilities Commission, Request for Review of Protective Orders for Competitive Electricity Providers Annual Report Information 2023, Docket No. 2024-00003

Central Maine Power, Request for Approval of Annual Compliance Filing Pertaining to Central Maine Power Company, Docket No. 2024-00014

Public Utilities Commission, Request for Approval of Rate Change Regarding Annual Reconciliation of Stranded Cost Revenue and Costs Pertaining to Central Maine Power Company, Docket No. 2024-00015

Web Silver Maple Wind, Request for Approval of Annual EBO Report Pertaining to Web Silver Maple Wind, Docket No. 2024-00019

Central Maine Power, Request for Approval of Terms and Conditions Revision Pertaining to Central Maine Power Company, Docket No. 2024-00042

Public Utilities Commission, Request for Approval of Good Cause Exemption Pursuant To 35-A M.R.S. Section 3209-A Roxbury Solar Farm LLC, Docket No. 2024-00043

Office of the Public Advocate, Request for Review to Increase the Low-Income Assistance Program (LIAP) Budget, Docket No. 2024-00044

Versant Power, Request for Approval of an Accounting Order for Deferral of Incremental Storm Restoration Costs Pertaining to Versant Power, Docket No. 2024-00046

Public Utilities Commission, Investigation into Consumer Assistance and Safety Division Case No. 2023-V-00277 Pertaining to Alexandria Savard and DYCO Apartments LLC, Docket No. 2024-00048

Public Utilities Commission, Investigation into Consumer Assistance and Safety Division Case No 2024-V-00003 Pertaining to Clean Energy LLC, Docket No. 2024-00049

Versant Power, Request for Review Regarding Reliability SQI's Pertaining to Versant Power, Docket No. 2024-00059

Central Maine Power, Request for Approval of a Waiver of Chapter 317 Pertaining to Central Maine Power Company, Docket No. 2024-00071

Central Maine Power, Request for Approval of Advisory Ruling Ch. 313 Re Co-Location Determinations Pertaining to Central Maine Power Company, Docket No. 2024-00075

MEVS Pulk LLC, Request for Approval of Good Cause Exemption Pursuant to 35-A M.R.S. Section 3209-A Pertaining to MEVS Pulk LLC, Docket No. 2024-00076

Central Maine Power, Request for Review of Report Card to Customers Pertaining to Central Maine Power Company, Docket No. 2024-00081

Office of the Public Advocate, Request for Access to Competitive Electricity Provider Data Pertaining to Office of the Public Advocate, Docket No. 2024-00090

Penobscot River Solar LLC, Request for Approval of Good Cause Exemption Pursuant to 35-A M.R.S. Section 3209-A Pertaining to Penobscot River Solar, Docket No. 2024-00091

Central Maine Power, Request for Approval Regarding Church Hill Solar Project Pursuant to 35-A M.R.S.A. 3132-A, Docket No. 2024-00105

Versant Power, Request for Review of Report Card for 2023 Pertaining to Versant Power, Docket No. 2024-00106

Ellsworth ME Solar LLC, Request for Approval of Good Cause Exemption Pursuant to 35-A M.R.S. Section 3209-A Pertaining to Ellsworth ME Solar LLC, Docket No. 2024-00108

Central Maine Power, Request for Section 708 Exemption or Approval of Reorganization Pertaining to Central Maine Power Company et al, Docket No. 2024-00117

DG Maine CS LLC, Request for Approval of Good Cause Exemption Pursuant to 35-A M.R.S. Section 3209-A Pertaining to DG Maine CS LLC, Docket No. 2024-00118

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

Building for the Future Through Electric Regional Transmission Planning and Cost Allocation, FERC Docket No. RM21-17

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

Allco Finance Limited, Petition for Enforcement Under the Public Utility Regulatory Policies Act of 1978, FERC Docket No. EL23-84

Versant Power, Application for the Establishment and Recovery Through Rates of a Regulatory Asset for Maine Public District, FERC Docket No. ER24-807

NATURAL GAS

Maine Law Court Rejects OPA Appeal of PUC Approval of Bangor Gas Special Rate Agreement.

In 2023, the OPA appealed the Public Utilities Commission's Order approving a special rate contract (SRC) between Bangor Natural Gas and Bucksport Generation. In its Order approving the SRC, the Commission decided that gas utilities were permitted to offer an SRC to a customer so long as the price paid by the customer under the SRC exceeds the incremental cost of providing service to that customer. The OPA argued that that applicable law required that discounts be limited to the amount required to retain a customer that would otherwise discontinue service. The OPA also challenged the Order because it was not based on a proper evidentiary record set by the Hearing Examiner.

On December 28th, the Maine Supreme Judicial Court (Law Court) upheld the Commission's Order in *Office of the Public Advocate v. Public Utilities Commission et al.*, 2023 ME 77. The court ruled against the OPA on the issue of the evidentiary record because it found that the OPA had failed to preserve the issue for appellate review. However, the Court acknowledged the merits of OPA's argument and suggested the Commission improve its practice in the future.

OPA Achieves Favorable Settlement of Northern Utilities Rate Case.

On August 31, 2023, the OPA reached a Stipulation with Northern Utilities, Inc. d/b/a Unitil (Northern) settling all issues related to Northern's May 1, 2023 request for an increase in its base rates in Docket No. 2023-00051. The Stipulation was the result of comprehensive negotiations among the OPA, Northern, and the Staff of the Public Utilities Commission. It represents a compromise from litigated positions. The Stipulation, subsequently approved by the Commission, resulted in an increase in Northern's distribution revenues of \$7,625,000, which is significantly lower than Northern's initial request of \$11,756,977. Under the Stipulation, Northern's revenue requirement was calculated based on an overall weighted cost of capital of 7.22 percent, an authorized return on common equity of 9.35 percent, and Northern's actual capital structure of 47.99 percent long-term debt and 52.01 percent equity. Residential heating customers are expected to experience an average bill increase of \$9.22 per month, with non-heating customers expected to see an average increase of \$7.99 per month.

In litigating this case, the OPA submitted testimony by four expert witnesses on revenue requirements, cost of capital, rate design, and depreciation. Of note, the OPA's revenue requirements witness concluded that Northern had a revenue deficiency of \$7,559,268 compared with Northern's request of \$11,756,977. The OPA's participation in this proceeding produced substantial savings for Northern's customers.

Over OPA Objection, PUC Approves Northern Utilities Empress Precedent Agreements.

On October 6, 2023, Northern Utilities, Inc. d/b/a Unitil (Northern) filed a request for Public Utilities Commission approval of precedent agreements entered with Northern with Portland Natural Gas Transmission System (PNGTS) and TransCanada Pipelines Limited (TCPL) for a firm natural gas pipeline transportation path from Empress, Alberta to Granite State Gas Transmission, Inc. (Docket No. 2023-00254). The OPA argued against approval of the TCPL agreements because Northern did not demonstrate that a commitment to TCPL gas transportation service from Empress, Alberta for an initial term of 30 years was either necessary or in the best interests of Northern’s customers. The OPA also argued that in any future filing seeking approval of gas supply contracts by gas utilities should be required to include sufficient analysis to demonstrate that the arrangements will offer sustained benefits over the term of the arrangements and that the arrangements are consistent with the State’s climate goals with respect to greenhouse gas emissions reduction.

The Commission approved the agreements granting Northern permission to contract for firm transportation capacity service for a term of 30 years over the objections of the OPA. However, the approval did adopt the conditions proposed by the OPA requiring that future requests include a demonstration of sustained benefits and consistency with the State’s climate goals. The Commission also stated that it will open an inquiry to gather input with the goal of developing best practices or a common methodology to evaluate the greenhouse gas impact of commitments like the Empress Agreements, their consistency with State goals, and to assist in evaluating a broader path for the future of natural gas in the State.

OPA Works With the PUC and the Conservation Law Foundation on Greenhouse Gas Considerations in the Sale of the Portland Natural Gas Transmission System.

On March 26, 2024, the owners of the Portland Natural Gas Transmission System (PNGTS), TC Pipelines, and Northern New England Investment Company, Inc., asked the Public Utilities Commission to approve a reorganization in Docket No. 2024-00072, pursuant to which ownership of the PNGTS would be transferred to two large investment companies, BlackRock and Morgan Stanley (the “Buyers”). The PNGTS is a 295-mile pipeline that transports natural gas from the Canadian border, through Northern New England to customers in New Hampshire, Maine, and Massachusetts. The reorganization could be approved only if it were consistent with the interests of a utility’s ratepayers and investors, if it provided net benefits to the utility’s ratepayers, and if the change would facilitate the achievement of Maine’s Greenhouse Gas (GHG) emissions reduction targets. The OPA, the Commission, and Conservation Law Foundation worked together with the buyers and sellers, to negotiate requirements for the new owners of the PNGTS to

measure/calculate GHG emissions, report the emissions, and to reduce the emissions. This includes training for the PNGTS management and employees to continue to use GHG emissions reduction actions that are similar to those currently employed by PNGTS, or consistent with standard industry practice, whichever is the higher standard.

OPA Assures that Gas Customers Receive Full Credit for Leak Repair Costs That are Avoided as a Result of Pipe Replacement Project.

In 2011, Northern Utilities, Inc. d/b/a Unitil began a 14-year project to replace 77 miles of aging pipe and other infrastructure. Each year since, Unitil asks for a rate increase to recover costs for the previous year's work. However, the amount Unitil may recover can be limited depending on how Unitil's actual progress and spending matched its planned work schedule and costs. In Unitil's most recent filing, Docket No. 2024-00040, OPA identified that customers were not receiving a full credit for leak repair costs that are avoided as a result of the pipe replacement and asked for the Public Utilities Commission to reduce Unitil's recovery by amount that amount. The OPA requested that the Commission provide a refund to customers for previously over collected amounts. The Commission agreed with the OPA that Unitil had not properly calculated this credit but limited the correction of this error to the most recent year, resulting in a savings to customers of approximately \$6,000.

OTHER NATURAL GAS CASES

Summit Natural Gas of Maine, Inc., Request for Approval of Special Rate Agreement, Natural Gas Sale and Interconnection Agreement with Peaks Renewable, Inc., Docket No. 2020-00089 (request for approval of amendments to previously approved agreements)

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

Northern Utilities, Inc. d/b/a Unitil, Request for Approval of 2023 Integrated Resource Portfolio Pertaining to the Northern Utilities, Inc. D/B/A/Unitil, Docket No. 2023-00078

Summit Natural Gas of Maine, Inc., Request for Approval of Annual Cost of Gas Adjustment Rate Pertaining to Maine Natural Gas Corporation, Docket No. 2023-00133

Bangor Natural Gas Co., Request for Approval of Cost of Gas Filings Pertaining to Bangor Natural Gas Company, Docket No. 2023-00152

Summit Natural Gas of Maine, Inc., Request for Approval of Cost of Gas Filings Pertaining to Summit Natural Gas of Maine, Inc., Docket No. 2023-00168

Summit Natural Gas of Maine, Inc., Request for Approval of An Affiliated Interest Transaction with CMP for Installation and Provision of Gas Service Pertaining to Maine Natural Gas Corporation, Docket No. 2023-00195

Northern Utilities, Inc. d/b/a Unitil, Request for Approval Of 2023 Winter Cost of Gas Filings Pertaining to Northern Utilities, Inc. D/B/A Unitil, Docket No. 2023-00212

Summit Natural Gas of Maine, Inc., Request for Approval of Tariff Revision (11/1/23) Pertaining to Summit Natural Gas of Maine, Inc., Docket No. 2023-00255

Public Utilities Commission, Inquiry Re the Potential for the Effective Use of Renewable Sources Gas, P.L. 2023, Ch 222, Docket No. 2023-00302

Summit Natural Gas of Maine, Inc., Request for Approval of Annual Filing Pertaining to Maine Natural Gas Corporation, Docket No. 2024-00020

Northern Utilities, Inc. d/b/a Unitil, Request for Approval of 2024 Summer Cost of Gas Filings Pertaining to Unitil Inc., Docket No. 2024-00029

Northern Utilities, Inc. d/b/a Unitil, Request for Approval of an Affiliated Interest Transaction with Granite State Gas Transmission, Inc. Pertaining to Northern Utilities, Inc. d/b/a Unitil, Docket No. 2024-00055

Maine Natural Gas Corporation, Request for Approval of Cost of Gas Adjustment Rate, Docket No. 2024-00109

Summit Natural Gas of Maine, Inc. Request for Approval of Tariff Changes to Gas Transportation Terms and Conditions Regarding Imbalances, Docket No. 2024-00135

Summit Natural Gas of Maine, Inc. Request for Approval of Tariff Changes to Implement Gas Cost Adjustment Mechanism, Docket No. 2024-00136

Bangor Natural Gas Company Request for Approval of Cost of Gas Filings, Docket No. 2024-00158

Summit Natural Gas of Maine, Inc. Request for Approval of Cost of Gas Filings, Docket No. 2024-00172

WATER

OPA Settles Maine Water Company Rate Case, Resulting in a Lower Rate Increase for Biddeford and Saco (B&S) Customers.

On March 31, Maine Water Company (MWC) asked the Public Utilities Commission for a 19.92% increase for its B&S customers in Docket No. 2023-00065 to allow it to collect approximately \$3 million in additional revenue per year beginning July 1, 2023. The OPA opposed the request arguing that the requested increase was too high. In particular, the OPA's witnesses recommended that the Public Utilities Commission reduce MWC's revenue request by approximately \$1.5 million.

On December 22, 2023, the OPA reached a settlement with MWC to reduce the allowed revenue increase to \$2,602,747, 12% lower than MWC's initial request. Pursuant to the settlement, although the new rates would become effective on January 1, 2024, customers would not see a bill increase above the temporary rate increase that is already in place until July 1, 2024. Also, MWC would not ask for another rate increase for B&S for three years, although it could still ask for infrastructure surcharges to be added to customer bills.

OPA Opposes Maine Water Company Request for Approval of Water Infrastructure Charge Request for its Camden/Rockland Division.

On June 30, 2023, the MWC filed a request with the Public Utilities Commission to raise its revenues by 2.34% by adding a surcharge to Camden/Rockland customers' bills to recover the costs (approximately \$1.7 million) of repairs/replacement of water mains and other equipment in Docket No. 2023-00163. The OPA opposed the request on the grounds that, given the timing of the projects, they should have been included in the company's most recent general rate case. In particular, the projects were completed in time for inclusion in that proceeding, yet the company failed to provide receipts and other documentation, and customers were not provided with proper notice of this case. By excluding the projects from the earlier proceeding, MWC avoided the more careful scrutiny that the projects would have received in a general rate case and, further, avoided disclosing to its customers the actual anticipated rate increase when it provided notice of its early request for a general increase in rates.

The OPA also argued that MWC's customer notice in this proceeding was insufficient because it failed to notify customers of this surcharge request as required by Chapter 675 of the rules of the Public Utilities Commission. On September 21, 2023, the Commission issued an order agreeing with the OPA that the notice was insufficient and suspended the proceeding until MWC made the necessary notice to customers.

In its final Order, the Commission approved MWC's requested surcharge, rejecting the OPA's arguments and finding that MWC's request was consistent with the Commission's rules regarding infrastructure surcharges. However, the Commission did determine that the prudence of the capital projects at issue could be reviewed in a future rate case.

The Law Court Rejects the OPA's Appeal of Maine Water Co. Depreciation Expense.

The OPA appealed the decision of the Public Utilities Commission granting a waiver of normal depreciation expense to Maine Water Company (Docket No. 2022-00058). As a result of the waiver, Maine Water's rate base is artificially inflated by millions of dollars. The OPA argued that the Commission's decision is contrary to the Commission's own rules, failed to use a reasonable methodology to calculate depreciation expense, and is unsupported by substantial evidence in the record.

In a January 30 decision in *Office of the Public Advocate v. Public Utilities Commission et al.*, 2024 ME 11, the Law Court rejected the OPA's appeal, deferring to the Commission on the OPA's first two arguments and finding that the OPA waived its argument that the Commission's decision was unsupported by substantial evidence in the record. On the last point, although the OPA had raised the evidentiary argument in a petition for reconsideration, the Court found this was too late and that to preserve the issue for appeal, the OPA was required to raise the argument before the Commission issued its decision.

OPA Assists New Sharon Water District in Receiving Temporary Rate Increase.

After conducting a summary investigation that revealed potential systemic financial issues at New Sharon Water District (NSWD), the Public Utilities Commission opened a formal investigation into the NSWD's apparent difficulties in satisfying its financial obligations. The Commission appointed Advocacy Staff to assist with the investigation. Difficulties in examining the NSWD's finances arose when docket filings indicated that its board of trustees no longer maintained a quorum to conduct business, and the Town, at least initially, indicated it did not intend to exercise its authority to appoint interim trustees. The OPA participated in several meetings held in New Sharon with the Commission Advocacy Staff, representatives of the Town of New Sharon and NSWD, the Maine Rural Water Association (MRWA), as well as citizens of New Sharon.

The Commission expanded the scope of its investigation to include consideration of and the appointment of a receiver for NSWD. The Public Utilities Commission did in fact appoint a receiver to oversee the operations of NSWD. On or about February 14, 2024, when the Town exercised its authority under the NSWD charter to appoint trustees, the receivership terminated. By the end of March 2024, however, docket filings showed that NSWD had failed to maintain a quorum as all trustees had resigned, and the Town requested that the Commission again appoint a receiver. The OPA participated in an evidentiary hearing

conducted by the Commission in New Sharon to take testimony from the Town on its request for a second receiver.

On June 26, 2024, MRWA made a filing on behalf of NSWDC seeking a 64% rate increase amounting to a revenue requirement increase of \$40,832 (Docket No. 2024-00146).

Thereafter, on July 1, 2024, MRWA filed a letter in the above-captioned docket signed by the Chair of the District, stating the Board had been reconstituted and seeking a meeting to discuss possible emergency rates. Through negotiation, the OPA reached agreement with NSWDC to provide a temporary rate increase of the full 64% requested by NSWDC. By Order dated July 31, 2024, the Commission approved this temporary rate increase. The Commission found that the temporary rates would alleviate the NSWDC's immediate financial need and allow the Commission and the parties to thoroughly examine NSWDC's rate filing.

OPA Successfully Advocates for Refunds for Bangor Water District Customers.

On April 7, 2023, the Consumer Assistance and Safety Division (CASD) of the Public Utilities Commission ordered Bangor Water District (BWD) to refund approximately \$79,000 to customers that had been billed for water at a new higher rate that was not yet in effect when the customers consumed the water. On May 16, 2023, the Commission opened an investigation (Docket No. 2023-00101) to review CASD's decision. The OPA intervened in the proceeding arguing that BWD had violated the law by charging a new higher rate for water consumed before the new rate took effect, and because the effect of the billing varied for different customers according to when their meter had been read and when they were billed. Subsequently, on January 16, 2024, the Commission issued an order adopting the position of the OPA and requiring BWD must provide the refund.

OTHER WATER CASES

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

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

Boothbay Region Water District, Request for Approval of Rate Change – 6104, Docket No. 2023-00240

Public Utilities Commission, Formal Investigation into the Acts & Practices of the Midcoast Regional Redevelopment Authority, Docket No. 2023-00209

Pine Springs Roads & Water, LLC, Request for Approval of Loan and Temporary Rates, Docket No. 2023-00253

Public Utilities Commission, Inquiry Regarding Filing and Procedural Requirements for Surcharges under Chapter 675, Docket No. 2024-00095

The Maine Water Company – Freeport Division, Request for Approval of Water Infrastructure Charge, Docket No. 2024-00140

The Maine Water Company – Oakland Division, Request for Approval of Water Infrastructure Charge, Docket No. 2024-00141

PUC RULEMAKINGS

PUC Adopts Revisions to Its Consumer Protection Rule Consumer for Electric and Gas Transmission and Distribution Utilities.

On January 8, 2024, the Public Utilities Commission issued a Notice of Rulemaking to consider proposed amendments to its Consumer Protection Standards for Electric and Gas Transmission and Distribution Utilities (Chapter 815) (Docket No. 2023-00323). The Commission characterized its proposed amendments as substantial modifications intended to:

- Reduce the uncollectible accounts of utilities thereby reducing upward pressure on rates for all customers.
- Amend the dispute resolution procedures.
- Respond to recent legislation.
- Make routine, stylistic and updating changes.

Significant changes were proposed to the dispute resolution provisions to correspond to the Law Court's decision in *General Marine Construction Corp. v. Pub. Utils. Comm'n*, 2022 ME 20., which found that decisions of Commission's Consumer and Safety Division (CASD) when reviewed by the Commission are not an adjudication on the merits and are therefore not appealable to the Law Court.

The OPA participated in the rulemaking public hearing on March 6, 2024, and submitted written comments on March 27, 2024.

On August 13, the Public Utilities Commission finalized the updates for Chapter 815, which lays out consumer protection standards for gas and electricity utilities in Maine. Here are some of the key changes:

- Ratepayers will be protected from disconnection in the event the National Weather Service issues a Heat Advisory or an Excessive Heat Warning.
- Protections for customers for whom Protection from Abuse Orders are now in place, including preventing utilities from making credit reports against customers who have presented the Order to the utility and protecting them from denial of service due to financial abuse.
 - Utilities also must now provide notice to new customers regarding procedures they may follow under Chapter 815 if they have a Protection from Abuse Order.

- The minimum overdue amount to prompt a disconnection notice from a utility is now \$150, raised from the former \$50 amount.
- Utilities may not demand reconnection a fee or a deposit from a customer with a prior disconnection if they are participating in the Low-Income Assistance Program (LIAP) or Arrearage Management Program (AMP).
- Physician Assistants and Nurse Practitioners may certify a medical emergency under Section 11 of the Rule. Previously, the rule allowed only physicians to certify the medical emergency.
- The rule now defines “Name Substitution” (formerly known as name-swapping) as a situation where a customer improperly attempts to transfer service to a new (but related) customer to avoid paying an account balance. The Commission states this practice is increasing in frequency in both residential and commercial customers. The rule now includes provisions that would generally place the “substitute customer” in the same circumstances as the previous, including required payments of catch-up amounts, medical emergency status and payment arrangements.
- The definition of “personal contact” between a customer and utility now includes email, text messages and online chats.
- Where previously, refunds from a utility could be issued via only cash or check, they may now be issued from a utility in the form the payment was received.
- Utilities may now require proof of an applicant’s right to occupy an address. This is intended to reduce uncollectable debt accumulated by “squatter” situations, which the Commission states are becoming more common.
- The Commission updated language around its Consumer Assistance and Safety Division’s dispute resolution process to define it as “informal” and related to Chapter 815 provision.

Perhaps the most controversial issue raised in this rulemaking was the proposal of Versant Power that utilities should be allowed to notify law enforcement any time that it believes in good faith that a crime has been committed at the customer’s premises. As made clear in its written comments, Versant’s focus in this regard is on illegal marijuana growing operations. The OPA opposed Versant’s proposal, arguing that the utility’s role is to ensure safe, adequate, and reliable service at reasonable rates, not to take on the role of deciding when laws may have been broken. The Commission agreed with the comments provided by the OPA and declined to adopt Versant’s proposal.

PUC Adopts OPA Recommendations to Enhance AMP Program.

On December 5, 2023, the Public Utilities Commission approved the recommendations from the OPA and Electric Ratepayer Advisory Council (ERAC) to amend Chapter 317 of

the Commission's rules to allow the Arrearage Management Program (AMP) to provide more opportunity for more ratepayers to reduce significant arrearages on their bills and to get a fresh start (Docket No. 2023-00134). AMP is one of several low-income programs, along with the Low-Income Assistance Program (LIAP) and the Low-Income Heating Assistance Program (LIHEAP), that support electricity customers. AMP provides financial assistance and on-time bill payment incentives to eligible customers. Specifically, low-income customers with significantly past-due balances (accumulated arrears) who pay monthly usage charges on time receive a monthly credit towards their arrears as long as they remain in compliance with the terms of the program. In addition, AMP participants have access to a complementary energy efficiency program from Efficiency Maine Trust to help reduce their energy consumption.

The rule changes will:

- Allow AMP participants to miss two (instead of one) payments before being removed from the program.
- Allow AMP participants to enroll in AMP once every seven years (instead of once in a lifetime).
- Expand eligibility to include all LIAP-eligible customers increase the maximum monthly amount of arrearage forgiven to \$500/month (instead of \$300/month).
- Ensure that customers do not have to pay more than one month's bill in the month they are enrolled in AMP.

This program improves the life of low-income Mainers. Since AMP began in 2015, approximately 2,000 participants have collectively had over \$5 million of arrearage forgiven.

OPA Supports PUC Updates to Its Intervenor Funding Rule (Chapter 840).

Intervenor funding allows individuals or entities to recover their costs when they participate in proceedings at the Public Utilities Commission. On May 29, 2024, the Commission announced amendments to Chapter 840 of its Consumer Protection Standards (?) to incorporate changes made by the Legislature and supported by the Commission and many other groups, including the OPA (Docket No. 2022-00299.) The changes include clarifying the types of proceedings for which intervenor funding is now available (both adjudicatory and non-adjudicatory proceedings) and expanding the funding sources for intervenor funding (to include administrative penalties collected by the Commission.) Allowable expenses are not limited to attorney's fees or expert witness fees, but also include other reasonable expenses which the Commission will consider on a case-by-case basis.

The OPA filed comments on the Commission's proposed amendments to the Chapter 840 on April 9, 2024 and April 29, 2024. The OPA supported most of the changes proposed by the Commission but expressed concerns regarding a proposal that funding be contingent on

a formal contract being signed that requires a participant already approved for funding to explain how its participation contributed to the outcome of the case before being reimbursed for money it has already spent participating in the case. In declining to strike the contract requirement, the Commission noted that it appreciated the OPA's concerns, but that State requirements and procedures require that certain forms be used when services are rendered using State funds. In response to the OPA's concerns, the Commission added language to the rule making clear that the Commission will be providing educational information and assistance on this to potential intervenors and participants seeking funding and working with them to execute any State required forms. It is hoped the amended rules will encourage more people to get involved in the Commission cases that matter to them.

OTHER RULEMAKINGS

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

Public Utilities Commission, Maine Public Utilities Commission New Rule Governing Procurement of Renewable Energy Promoting the Use of Contaminated Land, Chapter 397, Docket No. 2024-00028

Public Utilities Commission, Amendments to Small Generator Interconnection Procedures (Chapter 324), Docket No. 2023-00103

Public Utilities Commission, Commission Initiated Rulemaking for Alternative Compliance Payment for Class II Resources Pertaining to Chapter 311, Docket No. 2023-00225

Public Utilities Commission, Public Utilities Commission Amendments to Net Energy Billing Rule Chapter 313, Docket No. 2023-00284

TELECOMMUNICATIONS

The OPA Negotiates a Favorable Outcome to Consolidated Communications Reorganization Proceeding.

On December 27, 2023, the Consolidated Communications Holdings, Inc., Consolidated Communications of Northern New England Company, LLC, and Consolidated-Maine filed an application seeking approval from the Public Utilities Commission to transfer their indirect ownership and control of Consolidated-Maine to Condor Holdings LLC in Docket No. 2023-00327. Section 708 of M.R.S. Title 35-A requires that for this reorganization to be approved, it must be consistent with the interests of the utilities' ratepayers and investors, and the reorganization must provide net benefits to the utilities' ratepayers.

Following initial discovery and settlement discussions, on June 26, 2024 the OPA reached a settlement agreement with Consolidated, Condor, OPA, the Maine Connectivity Authority, and the Telephone Association of Maine that included the following key terms:

- Consolidated agreed to extend a two-year POLR (provider of last resort) service rate freeze implemented in Docket No. 2020-00301 by an additional two years, through August 2026.
- Consolidated will offer during calendar year 2025, where available, a low-cost broadband product at the same monthly price for at least 12 months to those customers who choose it during calendar year 2025.
- Consolidated will continue providing notice of broadband service offerings to customers on low-income support programs as may be required by applicable state and federal law.
- Consolidated will implement and activate the Alden One joint-use software system as a Large Pole Owner by December 2025.

On July 11, 2024, the Commission issued an Order approving the settlement.

OTHER TELECOMMUNICATIONS CASES

Town of Somerville, Expedited Pole Attachment Complaint Regarding Consolidated Communications, 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, regularly attended public hearings and work sessions of the Joint Standing Committee on Energy, Utilities and Technology (EUT) during the Second Regular Session of the 131st Legislature. OPA appears before the EUT, presenting testimony during the public hearings and participating in work sessions and in language review sessions.

As part of its mission, OPA introduces legislation that assists in our efforts to obtain the greatest benefits for the ratepayers of Maine. OPA also actively participates during and after the legislative session in stakeholder groups which greatly benefits the ratepayers of Maine.

Ensuring 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 some significant new laws that will benefit utility ratepayers. More information can be found on our website at <https://www.maine.gov/meopa/about/reports-and-testimony>.

OPA Initiatives

OPA supported the Governor's supplemental budget initiative increasing the number of permanent Senior Counsel positions. Adding another permanent attorney to the Office will assist OPA's important work at the Commission.

OPA also worked closely with legislative sponsors and interested parties on enacting these bills:

[Public Law 2023, Chapter 534](#) (LD 2067, Rep. Foster, R-Dexter) "An Act to Continue the Arrearage Management Program for Low-income Residential Electricity Customers" (EMERGENCY. Signed 3/14/2024).

- Sunset of program moved from 9/30/24 to 9/30/28.
- PUC report assessing the effectiveness of arrearage management programs from 10/1/24 through 9/30/27 is due 1/28/28. As in previous AMP reports, the PUC will include:
 - Number of participants enrolled in program
 - Number of participants completing program
 - Number of participants who have failed to complete program
 - Dollar amount of arrears forgiven
 - Impact on any participating transmission and distribution utility's bad debt as a result of program

- Costs and benefits to all ratepayers associated with program
 - Recommendations for ways in which program might be improved or continued for the benefit of all ratepayers
- Report no longer required to analyze the payment patterns of participating customers after completing the programs nor a comparison of outcomes for those participating in the programs and those not participating.
 - PUC required to convene stakeholder group (minimum one meeting) when preparing report w/OPA and participating T&Ds. Both entities will have the opportunity to submit written comments.
 - EUT may report out a bill in 133rd Legislature.

[Public Law 2023, Chapter 636](#) (LD 2163, Sen. Grohoski, D-Hancock) “An Act to Require Consumer Consent for Certain Generation Service Contract Renewals” (Signed 4/16/24).

- Prohibits a Competitive Electricity Provider (CEP) from renewing a contract without express consent of the customer if renewal rate is a fixed rate that is greater than the fixed rate that would, at the time of the residential consumer's contract renewal, be offered by the CEP to customers enrolling with the provider for an initial contract of a similar term and product offering. This is in addition to the existing prohibition of renewal without consent of a rate greater than 20% of the rate of the expiring contract.
- May not renew a contract for generation service at a variable rate without the express consent of the residential consumer if the expiring contract provided generation service at a fixed rate.
- Amends Sec. 4-B paragraph D as follows: May not renew a contract for generation service for a term that is longer than ~~is longer than~~ differs from the term of the expiring contract ~~or 12 months, whichever is shorter~~, without the express consent of the residential consumer.
- Violation results in residential consumer being switched to SO.

Consumer Protections

[Resolves 2023, Chapter 145](#) (LD 1962, Sen. Jackson, D-Aroostook) “Resolve, to Direct the Public Utilities Commission to Adopt Rules Regarding Utility Shut-offs” (Signed 3/19/24).

- Directs PUC to adopt rules governing T&D utility and gas utility service terminations and disconnections due to unpaid bills for utility service.
- For residential customers, rules must:
 - Prohibit termination or disconnection of utility service for unpaid utility bills during extreme weather or temperature conditions, including extreme heat or humidity, between April 16th and November 14th.

- Prohibit termination or disconnection of utility service unless the overdue and undisputed amount owed exceeds \$50.
- For low-income customers, rules must prohibit the utility from:
 - Charging a restoration or reconnection fee or requiring a security deposit for a restoration of service.
 - Charging late fees that accrued prior to termination or disconnection.

Northern Maine Transmission Line

[Public Law 2023, Chapter 660](#) (LD 1963, Sen. Jackson, D-Aroostook) “An Act Regarding the Future of Renewable Energy Transmission in Northern Maine” (Signed 4/22/24).

- Streamlines PUC rebidding & DEP review processes.
- Explicitly authorizes coordination with out of state entities.
- Authorizes GEO & OPA to participate in reviewing bids.
- Preferences given to bids that include an “employee harmony agreement” with a union representing local workers.
- Bidders required to submit to MPUC regulation as a public utility.
- Requires substantial public participation and a public hearing (mimicking language also found in [LD 2087](#)).

[Public Law 2023, Chapter 644](#) (LD 2087, Sen. Curry, D-Waldo) “An Act to Protect Property Owners by Making Certain Changes to the Laws Governing the Use of Eminent Domain by Transmission and Distribution Utilities” (EMERGENCY. Signed 4/22/24).

- Aims to protect land intended for recreational use.
- Exempts “service land” (defined as former railroad right of way) and certain other public lands from requirement that developer obtain legislative approval for use of the land.
- Creates several new regulations governing use of Eminent Domain for T&D high impact lines, including (1) a requirement that under certain circumstances, the developer must offer to buy the whole parcel, even when it only needs a portion of the parcel for the transmission project; and (2) a requirement to pay the landowners attorney’s fees.
- New requirements on Commission for CPCN re: use of Eminent Domain.
- Requires a hearing with opportunity for public comment re: route analysis.

Grid Enhancing Technologies and Beneficial Electrification

[Public Law 2023, Chapter 553](#) (LD 589, Sen. Grohoski, D-Hancock) “An Act to Ensure That the Maine Electric Grid Provides Additional Benefits to Maine Ratepayers” (Signed 3/19/24.)

- Beginning January 15, 2025, and every 5 years thereafter, PUC is to conduct a review or contract with a consultant to review available grid-enhancing technology that could be implemented by a large investor-owned T&D utility to reduce or defer need for investment in grid infrastructure in Maine. PUC (or contracted consultant) may produce a report describing the grid-enhancing technology identified in the review. PUC may file information or the report for use in rate cases or other proceedings involving a large investor-owned T&D utility, including the integrated grid planning proceeding required pursuant to section 3147, subsection 2.
- In developing its beneficial electrification plan for end uses that promotes beneficial electrification, the Efficiency Maine Trust shall:
 - Consult with relevant departments and agencies.
 - Consider incentivizing the appropriate placement of and promoting commercial or industrial beneficial load.
 - Integrate the ongoing energy planning efforts of the office as appropriate.
- In developing its beneficial electrification plan under this subsection, the Trust shall consider:
 - Incorporating the assumptions and advancing the findings and recommendations of the office in its "Maine Energy Plan: Pathway to 2040" study launched in August 2023, part of the comprehensive state energy plan required by Title 2, section 9, subsection 3, paragraph C.
 - Whether, in order to enable more efficient generation and transmission planning, a certain type or location of electric load is beneficial load.
 - Integrating with and informing the Commission's consideration of grid planning priorities pursuant to section 3147.
 - Seeking input from transmission and distribution utilities and relevant agencies and organizations in the State.
 - By February 1, 2025, the Trust shall provide a written update on its beneficial electrification planning as well as any recommendations, which may include proposed legislation, to improve its planning activities or to advance beneficial electrification to EUT.

Clean Energy/Renewables

[Public Law 2023, Chapter 535](#) (LD 122, Sen. Ingwersen, D-York) “An Act to Update the Electric Vehicle Rebate Program and to Establish a Pilot Program to Support the Uptake of Medium Duty and Heavy Duty Zero-emission Vehicles” (Signed 3/14/24).

[Resolves 2023, Chapter 150](#) (LD 1606, Sen. Daughtry, D-Cumberland) “Resolve, to Study Opportunities and Provide Guidance for School Clean Energy and Energy Efficiency Programs” (Signed 3/25/24).

[Public Law 2023, Chapter 554](#) (LD 1775, Rep. Doudera, D-Camden) “An Act to Establish a Clean Hydrogen Pilot Program” (Signed 3/19/24).

- Directs PUC, GEO, & DEP to create a pilot program which must be in the public interest, and:
 - Accounts for and is designed to advance the renewable energy and climate policies and goals of the State.
 - Minimizes potential negative environmental and community effects.
 - Maximizes air quality, health and workforce benefits.
 - Encourages high standards of safety performance.
- Lists several detailed requirements for a qualifying facility selected through competitive bidding process.
- Approves use of Special Rate Contract for selected project.
- Sets wage requirements.
- Sets production requirements.
- Allows PUC to adopt rules.

[Public Law 2023, Chapter 533](#) (LD 2099, Sen. Lawrence, D-York) “An Act to Make Changes to Certain Laws Governing Renewable Energy Projects” (Signed 3/12/2024).

- Defines “combined facility” as distributed solar facility paired w/ energy storage system.
- Allows GEO to petition PUC to procure energy, capacity, or RECs from “combined projects” that receive federal funds.
- PUC will require T&Ds to enter into long term contracts only if it benefits ratepayers.
- Allows DOL to adopt routine technical rules relating to the Maine emerging industry compensation threshold.

[Public Law 2023, Chapter 682](#) (LD 1153, Rep. Woodsome, R-Waterboro) “An Act Regarding Municipal Taxation of Certain Solar Energy Equipment” (Public Law 5/1/24).

OTHER LEGISLATIVE ACTIVITY

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

[Private & Special Law 2023, Chapter 22](#) (LD 2104, Sen. Reny, D-Lincoln) “An Act to Amend the Charter of the Wiscasset Water District” (Signed 4/9/24).

[Private & Special Law 2023, Chapter 21](#) (LD 2242, Sen. Farrin, R-Somerset) “An Act to Set a Debt Limit for the Anson and Madison Water District” (EMERGENCY. Signed 4/9/24).

[Public Law 2023, Chapter 596](#) (LD 2254, Sen. Lawrence, D-York) “An Act to Clarify Permissible Election and Lobbying Expenditures by Consumer-owned Utilities and the Casco Bay Island Transit District” (EMERGENCY. Signed 4/9/24).

- Exempts consumer-owned water utilities, consumer-owned T&D utilities, and Casco Bay ITD from legislation passed last year that prohibits utilities from including lobbying and political expenses in rates ([Public Law 2023, Chapter 286](#) LD 325).

[Resolves 2023, Chapter 155](#) (LD 240, Rep. Zeigler, D-Montville) “Resolve, to Direct the Maine Connectivity Authority to Develop Proposed Legislation to Increase Broadband Internet Access” (Public Law 3/26/24).

[Public Law 2023, Chapter 514](#) (LD 1932, Rep. Fay, D-Raymond) “An Act to Require Broadband Internet Access Service Providers to Prorate Customer Bills” (Signed 2/29/24).

[Public Law 2023, Chapter 502](#) (LD 1967, Rep. Sachs, D-Freeport) “An Act to Support Municipal Franchise Agreements” (Public Law 2/18/24).

[Public Law 2023, Chapter 588](#) (LD 2027, Sen. Reny, D-Lincoln) “An Act Regarding the Property Tax Exemption, Business Equipment Tax Exemption and Business Equipment Tax Reimbursement for Facilities Storing Spent Nuclear Fuel and Radioactive Waste” (EMERGENCY. Signed 4/2/24).

- Removes air pollution control facility property tax exemption for Maine Yankee, which could result in a ratepayer impact if Maine Yankee is not reimbursed by (?) Feds.

[Private & Special Law 2023, Chapter 23](#) (LD 2270, Sen. Tipping, D-Penobscot) “An Act to Create the Lincoln Mill Facilities District” (EMERGENCY. Signed 4/16/24).

[Public Law 2023, Chapter 570](#) (LD 2234) “An Act to Require Telephone Solicitors to Use the Reassigned Numbers Database” (Signed 3/25/24).

[Public Law 2023, Chapter 572](#) (LD 2245) “An Act to Clarify the Definition of "Underground Facility" and Reduce Administrative Burdens Under the So-called Dig Safe Law” (Signed 3/25/24).

[Public Law 2023, Chapter 609](#) (LD 2278) “An Act to Require Public Safety Answering Point and Dispatch Center Cost Reporting and to Direct the Formation of a Staffing and Recruiting Stakeholder Group” (Signed 4/9/24).

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/about/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. Consumers will typically contact the OPA via telephone, email, or with in-person visits. This fiscal year, we assisted more than 2,250 ratepayers.

Some of our proudest moments this year include:

- Helping customers reach the correct person at a utility to resolve their concerns, including Yvonne, who was referred to us by her local representative when her landline stopped working correctly. She later called us to share her good news: ***“This message is for Elizabeth. This is Yvonne in Spruce Head. I called to thank you for helping me get my phone fixed. Nobody can get through to [the utility], but you did, so God bless you and thank you again. Have a wonderful year.”***
- Partnering with a Maine legislator to connect a family in need to the right community resources and specialists at the electric company to get their power reconnected after they faced some financial difficulties.
- Helping a Maine resident who had lost her husband cancel the Community Solar contract that he had signed up for, with the least possible financial burden and stress for her.

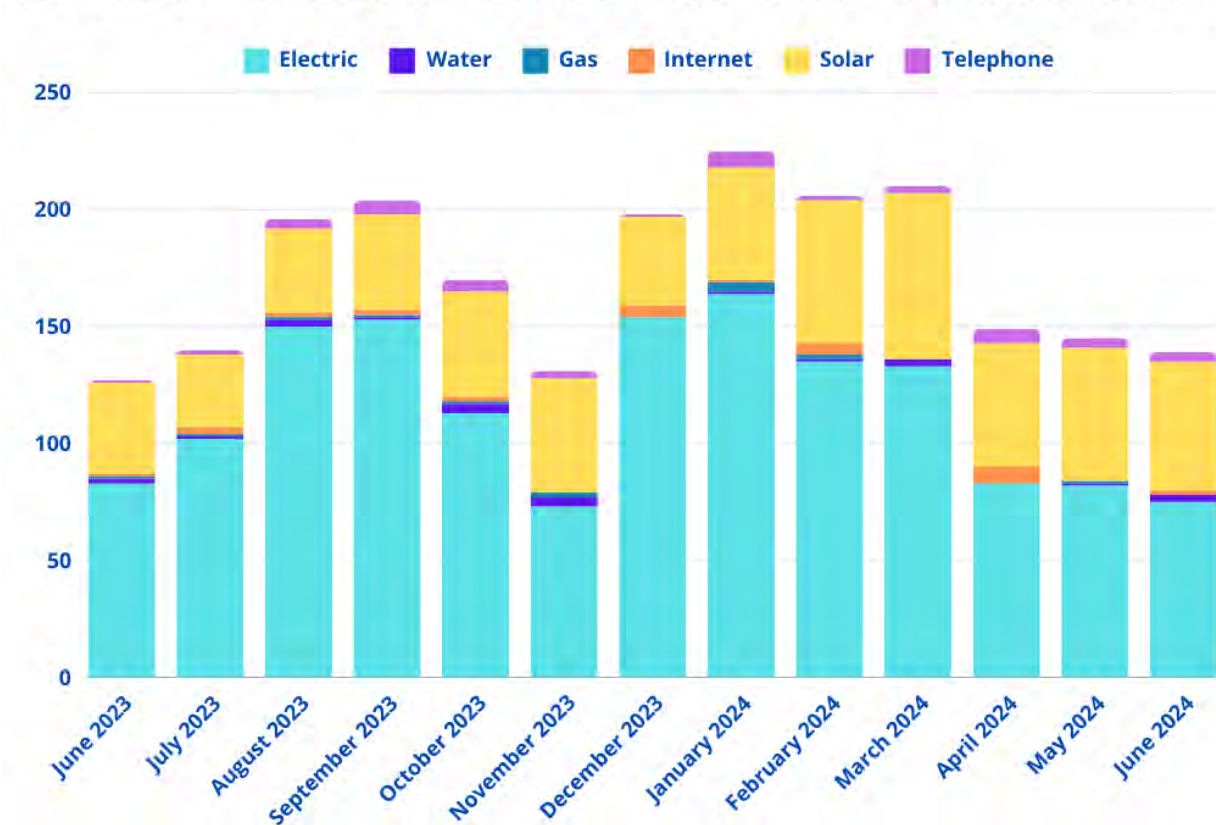
Key topics of concern for 2023-2024:

- **High electric bills:** Ratepayers reached out to the OPA for advice regarding high electric bills, and to voice concerns about the factors leading to bill increases. The OPA assisted in ensuring that consumers were taking advantage of the best possible supply rate as well as utility tools to monitor usage. The OPA also shared usage efficiency guidance.
- **Community Solar:** As more community solar projects came online, consumers reached out for assistance this year navigating the unfamiliar Community Solar process. The OPA assisted customers in contacting their community solar providers. The OPA also aided customers by explaining the cancellation process and providing information and resources regarding the program in general. We updated our website to reflect community inquiries (https://www.maine.gov/meopa/electricity/renewable-energy/community_solar)

and we continue to provide the Community Solar FAQ guide we created in partnership with Central Maine Power and Versant Power.

- **Disconnections:** Due to high electricity costs and continued inflation in other necessary bills such as heat and food, many ratepayers struggled to pay electric bills this year. In addition to working one-on-one with callers facing disconnection, the Consumer Advisor shared updated guides to help consumers navigate their situation.
- **Current events & issues:** Ratepayers reached out for unbiased information and advice, and to voice concerns and questions, regarding utility-related current events including the Pine Tree Power referendum and the proposed Northern Maine LS Transmission Line. The OPA strives to be a trusted source for utility information.

2023-2024 Consumer Contacts



Consumer Education

We continue to serve as a resource for customers interested in competitive electricity providers by updating the rate offerings monthly. We work to continuously update the OPA website based on consumer needs, including the addition this year of a [Low-Income Resources](#) page. We refreshed the OPA homepage to make it easier for consumers to access

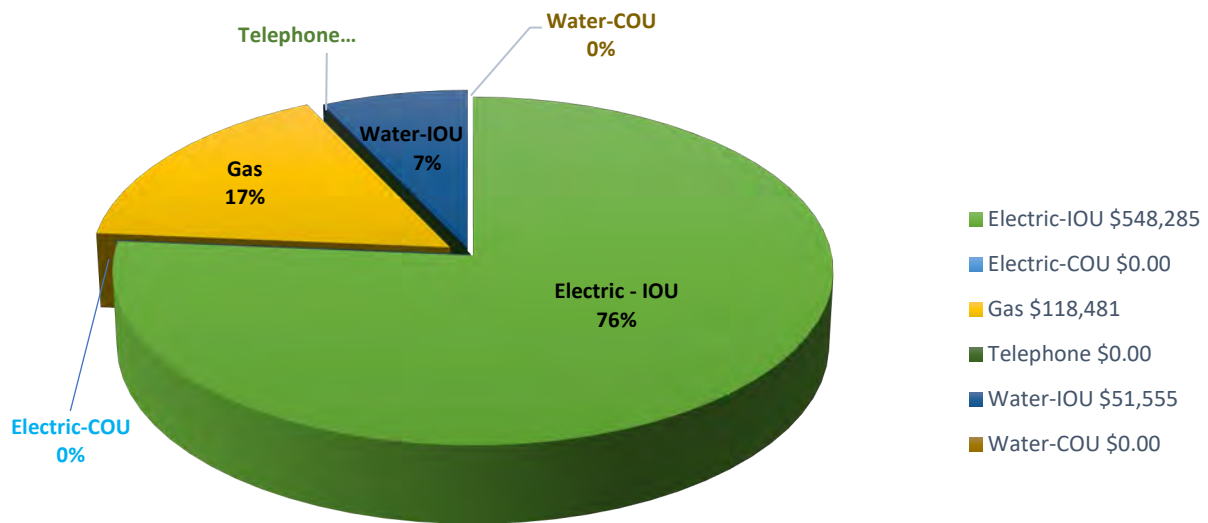
the most useful tools on our site, as well as create the opportunity to sign up for our monthly Highlights newsletter via the homepage. Additional website updates included additional Community Solar resources and refreshed content on several pages. We also released an updated Electricity Guide to reflect the changing concerns of electricity ratepayers.

Every month, the OPA publishes a new edition of our Highlights newsletter, summarizing the OPA's work on behalf of ratepayers. Each month in Highlights, the Consumer Advisor provides helpful information to consumers. This year, we transitioned the Highlights format from a PDF to a more reader-friendly and dynamic HTML version.

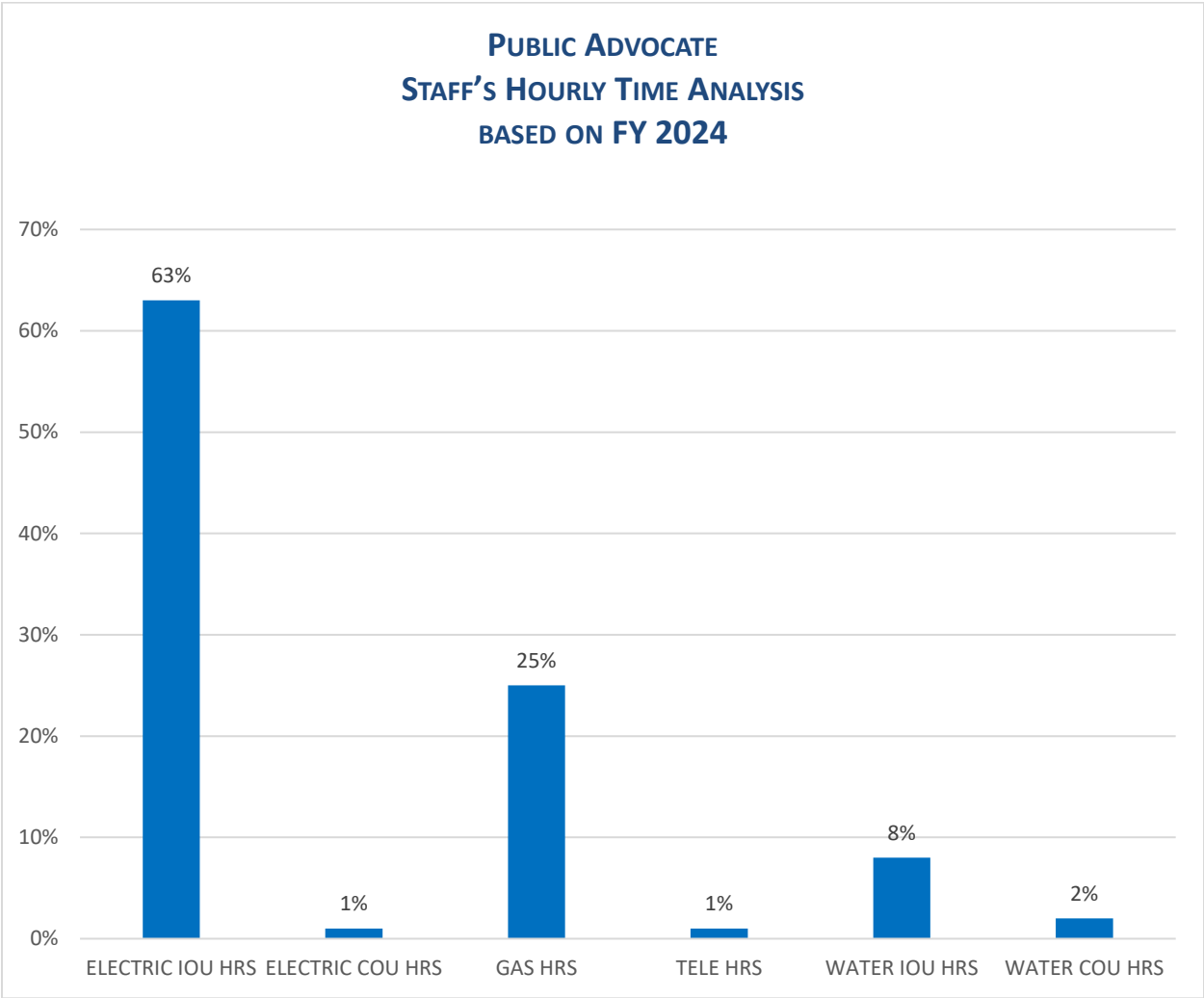
If you are interested in learning more about the work the OPA does on behalf of the Maine ratepayer, contact us at opa.admin@maine.gov to subscribe to our Monthly Highlights.

CONSULTANT EXPENDITURES

OPA Consultant Expenditures Based on Fiscal Year 2024



OPA HOURLY TIME ANALYSIS



The above-referenced chart covers Fiscal Year 2024, July 1, 2023 thru June 30, 2024, 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, 2023 through June 30, 2024.

<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

History of the Office of the Public Advocate



1: Photo of Gordon Weil from the
Portland Press Herald - August 1981

The Office of The Public Advocate (OPA) was founded in 1981 during Gov. Joseph E. Brennan's tenure. With the passage of L.D. 1673 (H.P. 1578) – An Act to Create the Public Advocate to Represent the Interests of Utility Customers, Maine ratepayers gained an advocate, someone who went to work every day with their best interests at heart.

L.D. 1673 was emergency legislation enacted in the face of several major proceedings pending at the Public Utilities Commission (PUC). This was “at a time during which there was substantial public concern and distrust as to whether the Public Utilities Commission was protecting the interests of the public” (L.D. 1673). The legislation was also urgent for other reasons. For example, at this time funding typically allocated to advocacy groups that represented the “using and consuming public” in Maine was endangered due to federal budget cuts. The creation of the OPA also relieved some of

the responsibility of other public interest intervenors including the Attorney General.

Since its creation, the OPA has represented consumers on a variety of issues. The primary focus of the office has always been representing ratepayers of regulated public utilities such as electricity, natural gas, telecommunications, and water. Over the course of its history the OPA has also focused on a variety of other areas. In the early 1980s, the OPA was responsible for representing milk consumers before the Maine Milk Commission, due to the expressed importance of milk to the health of children and adults in Maine, and a concern over the minimum price set for milk by the Maine Milk Commission at that time. Another example is emergency legislation from 1994 which directed the OPA to represent consumers of workers' compensation insurance before the Superintendent of Insurance. This continued to be part of the OPA's duties until 1995. In another example, at the beginning of Stephen Ward's tenure the Public Advocate was designated as the Governor's representative in

addressing the federal low-level radioactive waste mandates, leading to successful



MEP032301-3/23/82 AUGUSTA, MAINE: Peter Bradford, former Nuclear Regulatory Commission member, takes oath of office from Gov. Joseph E. Brennan in Brennan's Statehouse office to become Maine's public advocate. As advocate, Bradford will represent the consumer in utility rate cases before the Public Utilities Commission, of which Bradford used to be chairman. (BRADFORD) UPI ny/ls

2: Peter Bradford takes oath of office - 1982

negotiations on the terms of a disposal compact with Texas and with Vermont.

Employees of the Office have served on numerous state boards and commissions, such as the Maine Low-level Radioactive Waste Disposal Commission, the Telecommunications Relay Services Council, the Federal Communications Commission's Rural Taskforce, and the Blue Ribbon Commission on Internet Access. More recently, the OPA has organized and staffed the Electric Ratepayer Advisory Council.

In 2019, the legislature passed L.D. 1181 (H.P. 0855) - An Act to Reduce Electricity Costs through Non-wires Alternatives (NWA) providing greater focus on alternatives to increased utility investment in poles and wires. Under the Act, the OPA

hires and supervises the NWA Coordinator for the state and presents to the PUC for its consideration cost effective alternatives to specific capital projects proposed by the Transmission and Delivery (T&D) utilities.

Through the years, the Office has consistently protected consumers from higher costs. In 1983, soon after the OPA was created, the Public Advocate included the following statement in its Annual Report to the Legislature:

“... consider the very different recommendations of the Public Advocate and the advocacy staff in the most recent Central Maine Power Company and New England Telephone cases. In the former case, the Public Advocate recommended an increase of approximately \$2.5 million, or nearly one-tenth of the amount recommended by the PUC staff. In the latter case, the Public Advocate's recommendation was approximately \$10 million less than that recommended by the [PUC] staff.”

Each year, the OPA saves consumers thousands of dollars. Since 1988, the Office has saved ratepayers over \$1 billion.

Despite this record, there have been several attempts to merge or eliminate the Office of the Public Advocate. The first occurred in 1983, as there was some concern that the OPA was

duplicative of the PUC and specifically of the PUC advocacy staff. In response, filings were made by both the PUC advocacy staff and the Public Advocate to clarify the importance of their independence from one another.

Later, in the early 1990s, there were again arguments to merge the OPA with other departments. At this time, there was a Special Commission on Government Restructuring, and many wanted to see an Office of Advocacy that would combine staff from many different agencies and departments including the OPA. In 1991, the Public Advocate, Stephan G. Ward, addressed the Commission to express his objections, which included inadequate oversight and a concern that combining advocacy work under one umbrella might mean losing some advocacy workers.



Figure 3: Photo of Stephen Ward from the Kennebec Journal - 1994

In 1999, the idea of incorporating the OPA into the Office of the Attorney General was discussed and dismissed. Then, in 2003, there was a bill in the Legislature which would have abolished the OPA. This bill was actively opposed by the Telephone Association of Maine and many others.

The office itself has shifted in structure over the years. Since 1981, there has consistently been someone in the position of Public Advocate and there has always been supporting staff which includes attorneys with the appropriate expertise in energy law and regulation. Initially, the Public Advocate was appointed by and served at the pleasure of the Governor. While the Public Advocate is still appointed by the Governor, because of 2009 legislation, the Public Advocate now serves a 4-year term.

The size and location of the office have also shifted over the years. Originally, the office was in Augusta at the State House complex. Eventually, in 1999, the office moved to its current location in downtown Hallowell.

The office has always been made up of a small team. Early on, there were typically seven total staff members. In 1999, the office reorganized to create many of the positions that exist today. At that time, three new positions were added to the staff. Despite this, in 2003, there were only five people working in the office. By 2007, that number had risen to 10. There was

some fluctuation in the number of staff in the next few years as well as further reorganization that removed the position of the Clerk and added the roles of Consumer Advocate and eventually Legal Assistant. [Today, the OPA has a staff of eleven people.](#)

The OPA is funded by a special assessment on every regulated Maine utility. Since 2000 the OPA budget has doubled to its 2024 level of approximately \$2.8M.

Public Advocates

- Gordon Weil 1981-1982
- Peter Bradford 1982-1983
- Paul Fritzsche 1983-1986
- Stephen G. Ward 1986-2007
- Richard Davies 2007-2013
- Timothy R. Schneider 2013-2017
- Barry J. Hobbins 2017-2021
- William S. Harwood 2022-present