An Act To Eliminate Direct Retail Competition for the Supply of Electricity to Residential Consumers

Submitted by the Office of the Public Advocate pursuant to Joint Rule 203. Received by the Secretary of the Senate on December 20, 2019. Referred to the Committee on Energy, Utilities and Technology pursuant to Joint Rule 308.2 and ordered printed.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator WOODSOME of York.
Be it enacted by the People of the State of Maine as follows:

Sec. 1. 35-A MRSA §3202, sub-§1, as amended by PL 2007, c. 481, §1, is further amended to read:

1. Right to purchase generation. Beginning on March 1, 2000, all nonresidential consumers of electricity have the right to purchase generation services directly from competitive electricity providers, except as provided in subsection 7.

Sec. 2. 35-A MRSA §3202, sub-§1-A is enacted to read:

1-A. Transition of residential consumers served by competitive electricity providers. Beginning no later than January 1, 2022, all residential consumers must be served by standard-offer service. Beginning no later than December 1, 2020, competitive electricity providers are prohibited from adding new residential consumers, including any former customers who are not current customers as of December 1, 2020. For purposes of this subsection, "residential consumer" means a consumer defined as residential under the terms and conditions of the consumer's transmission and distribution utility.

Sec. 3. 35-A MRSA §3203, sub-§4, as amended by PL 2011, c. 284, §§2 to 4, is further amended to read:

4. Consumer protection provisions. As a condition of licensing, a competitive electricity provider that provides or proposes to provide generation service to a residential consumer or to a small commercial consumer or, before January 1, 2022, to a residential consumer:

A. May not terminate generation service without at least 30-day prior notice to the consumer;
B. Must offer service to the consumer for a minimum period of 30 days;
C. Must allow the consumer to rescind selection of the competitive electricity provider orally or in writing within 5 days of initial selection;
D. Must comply with all federal and state laws, federal regulations and state rules regarding the prohibition or limitation of telemarketing;
E. Must provide to the consumer within 30 days of contracting for retail service a disclosure of information provided to the commission pursuant to rules adopted under subsection 3 in a standard written format established by the commission; and
F. Must comply with any other applicable standards or requirements adopted by the commission by rule or order.

For purposes of this subsection, "residential consumer" means a consumer defined as residential under the terms and conditions of the consumer's transmission and distribution utility. For purposes of this subsection, "small commercial consumer" means, in the case of a consumer served by an investor-owned transmission and distribution utility, a nonresidential consumer that meets the availability criteria to take service under a core customer class of the transmission and distribution utility that does not pay a demand charge to the transmission and distribution utility or, in the case of a consumer served by
a consumer-owned transmission and distribution utility, a nonresidential consumer with a
demand of 20 kilowatts or less.

Sec. 4. 35-A MRSA §3212, sub-§4, as amended by PL 2001, c. 528, §1, is
repealed.

Sec. 5. 35-A MRSA §3212, sub-§4-C, as enacted by PL 2005, c. 677, Pt. B, §2,
is amended to read:

4-C. Authority to establish consider various contract lengths and terms. For the
purpose of providing over a reasonable time period the lowest price for standard-offer
service to residential and small commercial customers, the commission, with respect to
residential and small commercial standard-offer service, may shall, in addition to
incorporating cost-effective demand response and energy efficiency pursuant to
subsection 4-B and to the extent authorized in section 3210-C, incorporating the energy
portion of any contracts entered into pursuant to section 3210-C, establish various
consider bids of varying standard-offer service contract lengths and terms up to 10 years
and fixed and variable pricing proposals. The commission shall also take into account
state renewable energy generation and climate change goals, including the
encouragement, where appropriate, of economical distributed energy resources and
beneficial electrification. For the purposes of this subsection, "distributed energy
resources" means small-scale electrical generation sources located close to where the
generated electricity is used and "beneficial electrification" has the same meaning as in
section 10102, subsection 3-A.

To assist the commission in administering standard-offer service, the commission shall
designate or hire an employee whose primary responsibilities relate to monitoring
wholesale power markets, long-term power supply planning, developing requests for
proposals for standard-offer service, evaluating bids and administering standard-offer
service.

SUMMARY

This bill eliminates retail-level competition for residential electricity customers and
requires a more robust competitive process for selecting standard-offer service providers
for residential and small commercial electricity customers. It also requires the Public
Utilities Commission to designate or hire an employee to assist the commission in
administering standard-offer service.