



# 129th MAINE LEGISLATURE

## SECOND REGULAR SESSION-2020

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Legislative Document

No. 1917

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S.P. 664

In Senate, December 24, 2019

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

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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.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT  
Secretary of the Senate

Presented by Senator WOODSOME of York.

1 **Be it enacted by the People of the State of Maine as follows:**

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

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

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

8 **1-A. Transition of residential consumers served by competitive electricity**  
9 **providers.** Beginning no later than January 1, 2022, all residential consumers must be  
10 served by standard-offer service. Beginning no later than December 1, 2020, competitive  
11 electricity providers are prohibited from adding new residential consumers, including any  
12 former customers who are not current customers as of December 1, 2020. For purposes of  
13 this subsection, "residential consumer" means a consumer defined as residential under the  
14 terms and conditions of the consumer's transmission and distribution utility.

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

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

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

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

1 a consumer-owned transmission and distribution utility, a nonresidential consumer with a  
2 demand of 20 kilowatts or less.

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

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

7 **4-C. Authority to ~~establish~~ consider various contract lengths and terms.** For the  
8 purpose of providing over a reasonable time period the lowest price for standard-offer  
9 service to residential and small commercial customers, the commission, with respect to  
10 residential and small commercial standard-offer service, ~~may shall~~, in addition to  
11 incorporating cost-effective demand response and energy efficiency pursuant to  
12 subsection 4-B and to the extent authorized in section 3210-C, incorporating the energy  
13 portion of any contracts entered into pursuant to section 3210-C, ~~establish various~~  
14 consider bids of varying standard-offer service contract lengths and terms up to 10 years  
15 and fixed and variable pricing proposals. The commission shall also take into account  
16 state renewable energy generation and climate change goals, including the  
17 encouragement, where appropriate, of economical distributed energy resources and  
18 beneficial electrification. For the purposes of this subsection, "distributed energy  
19 resources" means small-scale electrical generation sources located close to where the  
20 generated electricity is used and "beneficial electrification" has the same meaning as in  
21 section 10102, subsection 3-A.

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

## 27 SUMMARY

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