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Date: (Filing No. H-)

ENERGY, UTILITIES AND TECHNOLOGY

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
130TH LEGISLATURE
FIRST SPECIAL SESSION**

COMMITTEE AMENDMENT “ ” to H.P. 99, L.D. 143, “An Act To Make the Arrearage Management Program Permanent”

Amend the bill by striking out the title and substituting the following:

'An Act Regarding the Arrearage Management Program'

Amend the bill by striking out everything after the enacting clause and inserting the following:

'Sec. 1. 35-A MRSA §3214, sub-§2-A, as amended by PL 2019, c. 608, §1, is further amended to read:

2-A. Arrearage management program. Each investor-owned transmission and distribution utility shall implement pursuant to this subsection an arrearage management program to assist eligible low-income residential customers who are in arrears on their electricity bills. An arrearage management program implemented pursuant to this subsection is a plan under which a transmission and distribution utility works with an eligible low-income residential customer to establish an affordable payment plan and provide credit to that customer toward the customer's accumulated arrears as long as that customer remains in compliance with the terms of the program. If a consumer-owned transmission and distribution utility elects to implement an arrearage management program, it must do so in accordance with this subsection and rules adopted pursuant to this subsection. The commission shall establish requirements relating to the arrearage management programs by rule. Rules adopted pursuant to this subsection are routine technical rules pursuant to Title 5, chapter 375, subchapter 2-A.

In adopting rules regarding arrearage management programs, the commission shall:

- A. Consider best practices as developed and implemented in other states or regions;
- B. Require that an arrearage management program include an electricity usage assessment at no cost to the participant;

COMMITTEE AMENDMENT

1 D. Ensure that a transmission and distribution utility develops terms and conditions
2 for its arrearage management program in a manner that is consistent with the program's
3 objectives and is in the best interests of all ratepayers; ~~and~~

4 D-1. Ensure that if a transmission and distribution utility produces any materials, either
5 written or electronic, regarding the arrearage management program offered by the
6 utility, those materials must state in plainly worded language and in a type size that is
7 no less than 12 points that state law requires the utility to offer an arrearage
8 management program to its customers and that costs described in paragraph E are not
9 paid for by the utility; and

10 E. Ensure that a transmission and distribution utility recovers in rates all reasonable
11 costs of arrearage management programs, including:

- 12 (1) Incremental costs;
- 13 (2) Reconnection fees;
- 14 (3) Administrative costs;
- 15 (4) Marketing costs;
- 16 (5) Costs for any 3rd-party assistance it receives in administering its arrearage
17 management program; and
- 18 (6) Costs for providing financial and budgetary guidance to participants whether
19 provided directly or through a 3rd party contracted by the transmission and
20 distribution utility to provide that guidance.

21 The amount of any arrearage forgiven that is treated as bad debt for purposes of cost
22 recovery by the transmission and distribution utility may not be included as a
23 reasonable cost under this paragraph.

24 The Efficiency Maine Trust shall work with investor-owned transmission and distribution
25 utilities, consumer-owned transmission and distribution utilities that elect to participate in
26 an arrearage management program and other stakeholders to provide access to a
27 complementary low-income energy efficiency program for participants in arrearage
28 management programs in order to help reduce participants' energy consumption.

29 No later than January 28, ~~2022~~ 2024, the commission shall prepare a report assessing the
30 effectiveness of arrearage management programs, including the number of participants
31 enrolled in the programs, the number of participants completing the programs, the number
32 of participants who have failed to complete the programs, the payment patterns of
33 participating customers after completing the programs, the dollar amount of arrears
34 forgiven, a comparison of outcomes for those participating in the programs and those not
35 participating, the impact on any participating transmission and distribution utility's bad debt
36 as a result of the programs, the costs and benefits to all ratepayers associated with the
37 programs and recommendations for ways in which the programs might be improved or
38 continued for the benefit of all ratepayers. In preparing its report, the commission shall
39 hold at least one formal stakeholder meeting involving affected parties, including the Office
40 of the Public Advocate and the participating transmission and distribution utilities. Parties
41 must also be provided an opportunity to submit written comments to the commission
42 regarding the performance of the programs.

1 The joint standing committee of the Legislature having jurisdiction over utilities matters
2 may report out a bill relating to the commission report to the Second Regular Session of
3 the ~~130th~~ 131st Legislature.

4 This subsection is repealed September 30, ~~2022~~ 2024.

5 **Sec. 2. 35-A MRSA §10110, sub-§2, ¶L**, as amended by PL 2019, c. 608, §2, is
6 further amended by amending the first blocked paragraph to read:

7 This paragraph is repealed September 30, ~~2022~~ 2024.

8 **Sec. 3. Low-income ratepayer assistance.** The Public Utilities Commission shall
9 consider in Public Utilities Commission Docket No. 2021-00061 proven, global best
10 practices to assist low-income ratepayers, including, but not limited to, the use of lower tier
11 rates for customers based on income. The commission shall provide to the Joint Standing
12 Committee on Energy, Utilities and Technology any information or decisions made in
13 relation to low-income ratepayer assistance pursuant to Docket No. 2021-00061 by January
14 15, 2022. The committee may report out a bill to the Second Regular Session of the 130th
15 Legislature based on the information or recommendations provided by the commission
16 pursuant to this section.'

17 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section
18 number to read consecutively.

19 SUMMARY

20 This amendment replaces the bill and the title. It extends the repeal date for the
21 arrearage management program from September 30, 2022 to September 30, 2024. It
22 includes a requirement that if an investor-owned transmission and distribution utility
23 produces any materials, either written or electronic, regarding the arrearage management
24 program offered by the utility, those materials must state in plainly worded language and
25 in a type size that is no less than 12 points that Maine law requires the utility to offer an
26 arrearage management program to its customers and that certain costs associated with the
27 program are not paid for by the utility and are recoverable in rates. It requires the Public
28 Utilities Commission as part of its Docket No. 2021-00061 to consider proven, global best
29 practices to assist low-income ratepayers, including, but not limited to, the use of lower tier
30 rates for customers based on income. It requires the commission to provide to the Joint
31 Standing Committee on Energy, Utilities and Technology any information or decisions
32 made in relation to Docket No. 2021-00061 by January 15, 2022. Lastly, it allows the
33 committee to report out a bill based on the information provided by the commission.

34 FISCAL NOTE REQUIRED

35 (See attached)