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**STATE OF MAINE
ONE HUNDRED AND THIRTY-FIRST LEGISLATURE
COMMITTEE ON ENERGY, UTILITIES AND TECHNOLOGY**

MEMORANDUM

TO: Senator Margaret Rotundo, Senate Chair
Representative Melanie Sachs, House Chair
Joint Standing Committee on Appropriations and Financial Affairs

FROM: Senator Mark Lawrence, Senate Chair
Representative S. Paige Zeigler, House Chair
Joint Standing Committee on Energy, Utilities and Technology

DATE: March 8, 2024

RE: Recommendations on LD 2214, An Act to Make Supplemental Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds and to Change Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2024 and June 30, 2025

On March 7, 2024, the Joint Standing Committee on Energy, Utilities and Technology reviewed the budget items pertaining to the agencies under its jurisdiction in the Governor's proposed supplemental budget. We are pleased to provide our committee's recommendations. Attached please find the report-back worksheet indicating the committee's votes on all items.

In addition, the committee considered language submitted by the Public Utilities Commission for inclusion in the budget that would amend Title 35-A MRSA, section 3474, subsection 4, a provision of law governing the interconnection ombudsman. The Commission provided this proposed amendment in its testimony at the public hearing and it is also included with this memo. The committee's vote on the amendment is included in the report-back worksheet and in the chart below.

Thank you for considering our recommendations.

| Initiative | Committee Meeting Vote | Including After-meeting Votes ¹ |
|--|------------------------|--|
| #288 | 8 YES / 0 NO | 10 YES / 0 NO |
| #289 | 8 YES / 0 NO | 10 YES / 0 NO |
| #290 | 8 YES / 0 NO | 10 YES / 0 NO |
| #291 | 9 YES / 0 NO | 10 YES / 0 NO |
| #292 | 9 YES / 0 NO | 10 YES / 0 NO |
| #286 | 8 YES / 0 NO | 10 YES / 0 NO |
| #778 | 8 YES / 0 NO | 10 YES / 0 NO |
| Additional Item: Proposed PUC amendment | 8 YES / 0 NO | 10 YES / 0 NO |

Enc.

cc: Members, Joint Standing Committee on Appropriations and Financial Affairs
Members, Joint Standing Committee on Energy, Utilities and Technology

¹ Senator Lawrence and Representative Geiger registered their votes on the initiatives for which they were absent after the committee meeting.

Sec. A-12. Appropriations and allocations. The following appropriations and allocations are made.

EXECUTIVE DEPARTMENT

Governor's Energy Office Z122

Initiative: Continues and makes permanent one Public Service Coordinator II position previously established by Financial Order CV0685 F4 to support workforce development initiatives and related grant management, programming, communications, external engagement, and other initiatives for the Governor's Energy Office.

Ref. #: 288 Committee Vote: 8 IN / 0 OUT AFA Vote: _____

| FEDERAL EXPENDITURES FUND | <i>Absent:</i> | 2022-23 | 2023-24 | 2024-25 |
|--|-----------------------|----------------|----------------|------------------|
| POSITIONS - LEGISLATIVE COUNT | <i>Sen Lawrence</i> | 0.000 | 0.000 | 1.000 |
| Personal Services | <i>Sen Harrington</i> | \$0 | \$0 | \$140,645 |
| FEDERAL EXPENDITURES FUND TOTAL | <i>Rep Babin</i> | <u>\$0</u> | <u>\$0</u> | <u>\$140,645</u> |
| | <i>Rep Boyle</i> | | | |
| | <i>Rep Geiger</i> | | | |

Justification:

This initiative continues and makes permanent one Public Service Coordinator II position previously established by Financial Order CV0685 F4. This position will support workforce development initiatives and related grant management, programming, communications, external engagement, and other initiatives as directed by the Director of the Governor's Energy Office (GEO).

Governor's Energy Office Z122

Initiative: Continues and makes permanent one Public Service Coordinator II position, previously continued by Public Law 2023, chapter 17 to advance grid modernization efforts as well as coordinate programs related to the Infrastructure Investment and Jobs Act/Bipartisan Infrastructure Law and transfers the position from the Other Special Revenue Funds to the Federal Expenditures Fund within the same program on November 25, 2024.

Ref. #: 289 Committee Vote: 8 IN / 0 OUT AFA Vote: _____

| FEDERAL EXPENDITURES FUND | <i>Absent:</i> | 2022-23 | 2023-24 | 2024-25 |
|--|-----------------------|----------------|----------------|-----------------|
| POSITIONS - LEGISLATIVE COUNT | <i>Sen Lawrence</i> | 0.000 | 0.000 | 1.000 |
| Personal Services | <i>Sen Harrington</i> | \$0 | \$0 | \$87,567 |
| FEDERAL EXPENDITURES FUND TOTAL | <i>Rep Babin</i> | <u>\$0</u> | <u>\$0</u> | <u>\$87,567</u> |
| | <i>Rep Boyle</i> | | | |
| | <i>Rep Geiger</i> | | | |

Justification:

This initiative continues and makes permanent one Public Service Coordinator II position, previously continued by Public Law 2023, chapter 17 and transfers that position from the Governor's Energy Office program, Other Special Revenue Funds to the Governor's Energy Office program, Federal Expenditures Fund on November 25, 2024. This position will continue advancing grid modernization efforts as well as coordinate programs related to the Infrastructure Investment and Jobs Act/Bipartisan Infrastructure Law.

Governor's Energy Office Z122

Initiative: Continues and makes permanent one Public Service Coordinator II position previously continued by Financial Order CV0592 F4 to manage industry and higher education sector engagement and transfers the position from the Federal Expenditures Fund - ARP State Fiscal Recovery to the Federal Expenditures Fund within the same program on December 31, 2024.

Ref. #: 290

Committee Vote: 8 IN / 0 OUT

AFA Vote: _____

FEDERAL EXPENDITURES FUND

POSITIONS - LEGISLATIVE COUNT

Personal Services

FEDERAL EXPENDITURES FUND TOTAL

Absent
Sen Lawrence
Sen Hamington
Rep Babin
Rep Boyle
Rep Geiger

| | 2022-23 | 2023-24 | 2024-25 |
|--|---------|---------|----------|
| | 0.000 | 0.000 | 1.000 |
| | \$0 | \$0 | \$72,172 |
| | \$0 | \$0 | \$72,172 |

Ref. #: 291

Committee Vote: 9 IN / 0 OUT

AFA Vote: _____

FEDERAL EXPENDITURES FUND - ARP STATE FISCAL RECOVERY

Personal Services

FEDERAL EXPENDITURES FUND - ARP STATE FISCAL RECOVERY TOTAL

Absent
Sen Hamington
Rep Babin
Rep Boyle
Rep Geiger

| | 2022-23 | 2023-24 | 2024-25 |
|--|---------|---------|----------|
| | \$0 | \$0 | \$72,172 |
| | \$0 | \$0 | \$72,172 |

Justification:

This initiative continues and makes permanent one Public Service Coordinator II position previously continued by Financial Order CV0592 F4 and transfers the position from the Governor's Energy Office program, Federal Expenditures Fund - ARP State Fiscal Recovery to the Governor's Energy Office program, Federal Expenditures Fund on December 31, 2024. This position will manage industry and higher education sector engagement and program development.

Governor's Energy Office Z122

Initiative: Provides funding to align allocation with projected available resources.

Ref. #: 292

Committee Vote: 9 IN / 0 OUT

AFA Vote: _____

FEDERAL EXPENDITURES FUND

All Other

FEDERAL EXPENDITURES FUND TOTAL

Absent
Sen Hamington
Rep Babin
Rep Boyle
Rep Geiger

| | 2022-23 | 2023-24 | 2024-25 |
|--|---------|---------|-------------|
| | \$0 | \$0 | \$1,357,028 |
| | \$0 | \$0 | \$1,357,028 |

Justification:

This initiative provides funding to align allocation to federal grant awards within the Governor's Energy Office.

Public Advocate 0410

Initiative: Continues and makes permanent one Senior Counsel position previously continued by Financial Order 002871 F4.

Ref. #: 286

Committee Vote: 8 IN / 0 OUT

AFA Vote: _____

Absent
Sen Lawrence
Sen Hamington
Rep Babin
Rep Boyle
Rep Geiger

| | 2022-23 | 2023-24 | 2024-25 |
|--|------------|------------|------------------|
| OTHER SPECIAL REVENUE FUNDS | | | |
| POSITIONS - LEGISLATIVE COUNT | 0.000 | 0.000 | 1.000 |
| Personal Services | \$0 | \$0 | \$196,918 |
| OTHER SPECIAL REVENUE FUNDS TOTAL | \$0 | \$0 | \$196,918 |

Justification:

This initiative continues and makes permanent one Senior Counsel position. This position is essential to the overall success of the OPA and will function independently in planning, coordinating, and representing the interests of Maine users of utility services, including electricity, natural gas, water and telecommunications proceedings before the Maine Public Utilities Commission, Maine Supreme Judicial Court, the Maine Legislature, and applicable federal regulatory bodies.

EXECUTIVE DEPARTMENT

| | 2022-23 | 2023-24 | 2024-25 |
|--|------------|------------|--------------------|
| DEPARTMENT TOTALS | | | |
| FEDERAL EXPENDITURES FUND | \$0 | \$0 | \$1,657,412 |
| OTHER SPECIAL REVENUE FUNDS | \$0 | \$0 | \$196,918 |
| FEDERAL EXPENDITURES FUND - ARP STATE FISCAL RECOVERY | \$0 | \$0 | \$72,172 |
| DEPARTMENT TOTAL - ALL FUNDS | \$0 | \$0 | \$1,926,502 |

Sec. A-29. Appropriations and allocations.

The following appropriations and allocations are made.

PUBLIC UTILITIES COMMISSION

Public Utilities - Administrative Division 0184

Initiative: Provides funding for the approved reorganization of 10 Senior Consumer Assistance Specialist positions to Senior PUC Consumer Assistance Specialist positions and transfers All Other to Personal Services to fund the reorganization.

Ref. #: 778

Committee Vote:

8 IN / 0 OUT

AFA Vote: _____

OTHER SPECIAL REVENUE FUNDS

| | <u>Absent</u> | 2022-23 | 2023-24 | 2024-25 |
|--|--|------------|------------|------------|
| Personal Services | | \$0 | \$0 | \$45,026 |
| All Other | Sen Lawrence | \$0 | \$0 | (\$45,026) |
| OTHER SPECIAL REVENUE FUNDS TOTAL | Sen Harrington Rep Babin Rep Boyle | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

Rep Gjelger

Justification:

These positions provide high level investigation, mediation and resolution to complaints filed by consumers against utilities. Responsibilities include issuing decisions on utility requests for waivers from Public Utilities Commission rules and winter requests to disconnect. Senior Consumer Assistance Specialists have the authority to investigate and issue final decisions that are legally binding on both the customer and the utility that can only be overruled at the Commissioner level. Changes in the utility industry, including complex net metering installations, have created more complicated situations which require more rules as well as an advanced level of expertise, analytical ability and decision making.

PUBLIC UTILITIES COMMISSION

| DEPARTMENT TOTALS | 2022-23 | 2023-24 | 2024-25 |
|-------------------------------------|------------|------------|------------|
| OTHER SPECIAL REVENUE FUNDS | \$0 | \$0 | \$0 |
| DEPARTMENT TOTAL - ALL FUNDS | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

Additional budget item:

Amendment to Title 35-A § 3474, sub § 4 requested by the Public Utilities Commission.

Committee Vote: 8 IN / 0 OUT

Absent

Sen Lawrence

Sen Harrington

Rep Boyle

Rep Babin

Rep Gjelger

Amend 35-A MRSA § 3474, sub-§4 as follows:

4. Interconnection ombudsman; fund. The interconnection ombudsman appointed pursuant to section 107, subsection 1 shall assist persons seeking interconnections governed by rules adopted under subsection 3. The commission shall appoint an interconnection ombudsman who possesses technical expertise related to interconnection and interconnection procedures.

A. The duties of the interconnection ombudsman include but are not limited to:

- (1) Tracking interconnection disputes;
- (2) Facilitating the efficient and fair resolution of disputes between customers seeking to interconnect and investor-owned transmission and distribution utilities;
- (3) Reviewing investor-owned transmission and distribution utility interconnection policies to assess opportunities for reducing interconnection disputes;
- (4) Convening stakeholder groups as necessary to facilitate effective communication between interconnection stakeholders; ~~and~~
- (5) Preparing reports that detail the number, type, resolution timeline and outcome of interconnection disputes; and
- (6) Any other technical or regulatory work involving public utilities.

B. The commission by rule shall establish a fee to be paid by persons seeking interconnections to fund the interconnection ombudsman in accordance with paragraph C. Notwithstanding Title 5, section 8071, rules adopted under this paragraph are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

C. The interconnection ombudsman fund is established within the commission as a nonlapsing fund for the purposes of funding offsetting cost for interconnection related activities undertaken by the interconnection ombudsman. The commission shall deposit all fees collected under this subsection into the fund and all money in the fund must be used to ~~fully~~ fund the interconnection ombudsman. In addition to the fees established in accordance with this subsection, the fund may accept federal money and contributions from private and public sources.

Any activities undertaken by the interconnection ombudsman pursuant to subparagraph 6 shall be funded in accordance with section 116.

SUMMARY

This amendment clarifies that the duties of the interconnection ombudsman also include technical or regulatory work involving public utilities and that this work is to be funded by the Public Utilities Commission's Regulatory fund. It also clarifies that the interconnection ombudsman fund is to be used to offset costs for interconnection related activities undertaken by the interconnection ombudsman.

