

**Testimony of Kirsten LC Figueroa, Commissioner
Department of Administrative and Financial Services**

“An Act to Make Supplemental Appropriations and Allocations for the Expenditures of State Government and to Change Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Year Ending June 30, 2019”

February 20 – 21, 2019

**Before the Joint Standing Committee on Appropriations and Financial Affairs and
the Joint Standing Committee on Energy, Utilities & Technology
February 20, 2019 10:00AM**

Good morning Senator Breen, Representative Gattine, and Members of the Joint Standing Committee on Appropriations and Financial Affairs; Senator Lawrence, Representative Berry and members of the Joint Standing Committee on Energy, Utilities, and Technology. My name is Kirsten Figueroa, and I am the Commissioner of the Department of Administrative and Financial Services. I am here today to testify in support of the fiscal year 2019 supplemental budget bill, LR 2406.

Part E, on page 7, transfers the remaining funds in the Public Utilities Cost Recovery Fund to the unappropriated surplus of the General Fund in fiscal year 2019. Public Law 2015, chapter 483 transferred \$13.4 million from unappropriated surplus to this fund to pay all above-market costs of contracts for energy or contracts for differences for the procurement of up to 80 megawatts of biomass resources. The Commission made cash payments totaling \$6,700,000 with respect to the ReEnergy contract and \$1,238,612 with respect to the Stored Solar contract. The Commission determined and confirmed that the remaining balance is no longer needed.

This concludes my testimony specific to these two committees. I would be happy to address any questions you may have.

**Before the Joint Standing Committee on Appropriations and Financial Affairs and
the Joint Standing Committee on Education and Cultural Affairs
February 20, 2019 11:00AM**

Good morning Senator Breen, Representative Gattine, and Members of the Joint Standing Committee on Appropriations and Financial Affairs, and welcome Senator Millett, Representative Kornfield and members of the Joint Standing Committee on Education and Cultural Affairs. My name is Kirsten Figueroa, and I am the Commissioner of the Department of Administrative and Financial Services. I am here today to testify in support of the fiscal year 2019 supplemental budget bill, LR 2406.

In 2020, Maine will celebrate its bicentennial. Page A-3 includes a one-time request of \$1,000,000 to the Maine State Cultural Affairs Council for a portion of expenses and coordination associated with the celebration and commemoration of the bicentennial. Any unspent funding in fiscal year 2019 will carry into 2020 for the same purpose. Project budget and expenditures will be overseen by the Bicentennial Commission. From now through October 2020, the Bicentennial Commission will focus on planning events, securing locations and artists, and promoting unique festivities and educational opportunities in venues across the state.

On page A-8, there is one budget initiative in the Maine Historic Preservation Commission. This initiative provides \$23,927 general funds for a projected shortfall in the Personal Services line category. Small departments with little turnover sometimes can't cover all their budgeted attrition. This initiative provides necessary funding to balance this fiscal year.

There are three budget initiatives associated with the Maine State Library on Page A-10. Like the Historic Preservation Commission, the Library requests funding to meet Personal Services obligations for the remainder of this fiscal year. The Library's Administration program requests \$13,000 and the Maine State Library program requests \$16,000. Additionally, within the Maine State Library program there is a request for \$6,400 to provide funding for the subscription and support of 13 public computers.

This concludes my testimony specific to these two committees. I would be happy to address any questions you may have.

**Before the Joint Standing Committee on Appropriations and Financial Affairs
February 20, 2019 1:00PM**

Good afternoon Senator Breen, Representative Gattine, and Members of the Joint Standing Committee on Appropriations and Financial Affairs. My name is Kirsten Figueroa, and I am the Commissioner of the Department of Administrative and Financial Services. I am here today to testify in support of the fiscal year 2019 supplemental budget bill, LR 2406.

The first item on the agenda this afternoon is the Executive Branch Departments and Independent Agencies – Statewide program on page A-1. Public Law 2017, chapter 284, Part EE directed the Bureau of the Budget to conduct a review of vacant positions for elimination for the purpose of identifying total General Fund savings in the Personal Services line category equal to \$3,000,000. Fifty-eight positions were eliminated based on the review; however, only three of those positions were funded with General Fund monies. This request appropriates \$2,899,082 to offset the amount of savings recorded in Part EE that were not achieved.

This concludes my testimony specific to this one committee. I would be happy to address any questions you may have.

**Before the Joint Standing Committee on Appropriations and Financial Affairs and
the Joint Standing Committee on Agriculture, Conservation, and Forestry
February 20, 2019 1:00PM**

Good afternoon Senator Breen, Representative Gattine, and Members of the Joint Standing Committee on Appropriations and Financial Affairs, and welcome Senator Dill, Representative Hickman and members of the Joint Standing Committee on Agriculture, Conservation, and Forestry. My name is Kirsten Figueroa, and I am Commissioner of the Department of Administrative and Financial Services. I am here today to testify in support of the fiscal year 2019 supplemental budget bill, LR 2406.

There is one budget initiative within the Department of Agriculture, Conservation, and Forestry. On page A-2 is a request for \$200,000 in allocation in an Other Special Revenue account for the Land Management & Planning program, Public Reserved Lands Management Fund. This is a request for increased allocation to support two new road construction projects this spring, which will facilitate timber harvesting in the western region.

This concludes my testimony specific to these two committees. I would be happy to address any questions you may have.

**Before the Joint Standing Committee on Appropriations and Financial Affairs and
the Joint Standing Committee on Judiciary
February 20, 2019 1:00PM**

Good afternoon Senator Breen, Representative Gattine, and Members of the Joint Standing Committee on Appropriations and Financial Affairs, and welcome Senator Carpenter, Representative Bailey and members of the Joint Standing Committee on Judiciary. My name is Kirsten Figueroa, and I am the Commissioner of the Department of Administrative and Financial Services. I am here today to testify in support of the fiscal year 2019 supplemental budget bill, LR 2406.

A request for Judicial is included on page A-9. The request for \$184,214 is necessary to pay outstanding Office of Information Technology invoices. In July 2017, rates for networking services increased. The Judicial budgets for 2018 and 2019 were already developed at that time and did not account for this rate change. This request will enable Judicial to pay for services provided in fiscal years 2018 and 2019.

This concludes my testimony specific to these two committees. I would be happy to address any questions you may have.

**Before the Joint Standing Committee on Appropriations and Financial Affairs and
the Joint Standing Committee on Marine Resources
February 20, 2019 1:00PM**

Good afternoon Senator Breen, Representative Gattine, and Members of the Joint Standing Committee on Appropriations and Financial Affairs, and welcome Senator Miramant, Representative McCreight and members of the Joint Standing Committee on Marine Resources. My name is Kirsten Figueroa, and I am Commissioner of the Department of Administrative and Financial Services. I am here today to testify in support of the fiscal year 2019 supplemental budget bill, LR 2406.

Page A-11 includes four requests from the Department of Marine Resources.

The first request, affecting two programs, reallocates the partial cost of 13 Marine Patrol positions from the Bureau of Policy and Management program, Other Special Revenue funds to the Bureau of Marine Patrol program, General Fund. These costs are appropriate to the Marine Patrol program and this funding shift would allow the Coastal Fisheries, Research Management and Opportunity Fund to be used for the intended purpose of either rebuilding depleted fisheries or maintaining existing fisheries.

The second request is for \$176,387 of General Fund appropriation for insurance, uniforms, training, rents, and minor equipment for the Bureau of Marine Patrol. Historically, the National Oceanic and Atmospheric Administration (NOAA) Joint Enforcement Agreement has supported expenditures noted in the request. However, increased restrictions resulted in NOAA no longer funding items considered standard issue. These items are necessary to execute the Bureau's enforcement work. This initiative is continued in the biennial budget.

The third initiative requests General Fund support in the amount of \$36,563 for continued utilization of the Department of Public Safety's State Police Records Management System, also known as Spillman Records Management System and Mobile System. This integrated records management system allows multiple agencies to store and access records from one place, resulting in a complete picture for investigations and reporting processes. This initiative is continued in the biennial budget.

The final initiative is a request for \$41,561 associated with an increase in fees for dispatch services provided by the Department of Public Safety. Maine Revised Statutes, Title 25, subsection 1553, established the Bureau of Consolidated Emergency Communications within the Department of Public Safety. Fees for dispatch services are projected to be \$41,561 above what is included in the Bureau of Marine Patrol baseline budget.

This concludes my testimony specific to these two committees. I would be happy to address any questions you may have.

**Before the Joint Standing Committee on Appropriations and Financial Affairs and
the Joint Standing Committee on Taxation
February 20, 2019 1:00PM**

Good afternoon Senator Breen, Representative Gattine, and Members of the Joint Standing Committee on Appropriations and Financial Affairs, and welcome Senator Chipman, Representative Tipping and members of the Joint Standing Committee on Taxation. My name is Kirsten Figueroa, and I am the Commissioner of the Department of Administrative and Financial Services. I am here today to testify in support of the fiscal year 2019 supplemental budget bill, LR 2406.

Page A-12 includes one initiative for the State Board of Property Tax Review. This initiative requests \$38,772 for legal services received in fiscal year 2018. General Funds lapsed in 2018 when payment was not made to the Office of the Attorney General.

This concludes my testimony specific to these two committees. I would be happy to address any questions you may have.

**Before the Joint Standing Committee on Appropriations and Financial Affairs and
the Joint Standing Committee on Veterans and Legal Affairs
February 21, 2019 12:30PM**

Good afternoon Senator Breen, Representative Gattine, and Members of the Joint Standing Committee on Appropriations and Financial Affairs; Senator Luchini, Representative Schneck and members of the Joint Standing Committee on Veterans and Legal Affairs. My name is Kirsten Figueroa, and I am the Commissioner of the Department of Administrative and Financial Services. I am here today to testify in support of the fiscal year 2019 supplemental budget bill, LR 2406.

On page A-13, there is one budget initiative for the Bureau of Administrative Services and Corporations within the Office of the Secretary of State. This initiative requests a \$400,000 appropriation to fund the annual lease of Accessible Voting System equipment, software and support to municipalities for general, primary, and special state elections for 2018.

This concludes my testimony specific to these two committees. I would be happy to address any questions you may have.

**Before the Joint Standing Committee on Appropriations and Financial Affairs and
the Joint Standing Committee on Criminal Justice and Public Safety
February 21, 2019 1:00PM**

Good afternoon Senator Breen, Representative Gattine, and Members of the Joint Standing Committee on Appropriations and Financial Affairs; Senator Deschambault, Representative Warren and members of the Joint Standing Committee on Criminal Justice and Public Safety. My name is Kirsten Figueroa, and I am the Commissioner of the Department of Administrative and Financial Services. I am here today to testify in support of the fiscal year 2019 supplemental budget bill, LR 2406.

The first initiative is a request for the Department of Defense, Veterans and Emergency Management's Disaster Assistance program and may be found on page A-4. This initiative provides one-time funding for the Disaster Assistance program required under Maine Revised Statutes, Title 37-B. Please note, the initiative has the incorrect section reference: it should be section 744, subsection 2-A, and will be corrected on the printed bill. FEMA's Public Assistance grant program reimburses 75% of disaster costs; state statute requires the state to reimburse 15%; and the local municipality is responsible for the remaining 10%. This initiative provides funding to county, local and non-governmental entities impacted by two storms: the October 2017 windstorm (\$1,600,000) and the March 2018 York County coastal flooding (\$900,000).

The next initiative is language in Part D, starting on page 4, which provides the authority necessary for the Department of Corrections to establish a new pre-release facility in Washington County. Specifically, the language proposes: the establishment of the Washington County Pre-Release Center in statute; authority for the Department of Corrections to purchase property in Washington County for the new pre-release center; and repeal of the former Downeast Correctional Facility in Maine statute.

This concludes my testimony specific to these two committees. I would be happy to address any questions you may have.

**Before the Joint Standing Committee on Appropriations and Financial Affairs and
the Joint Standing Committee on Health and Human Services
February 21, 2019 3:30PM**

Good afternoon Senator Breen, Representative Gattine, and Members of the Joint Standing Committee on Appropriations and Financial Affairs; Senator Gratwick, Representative Hymanson and members of the Joint Standing Committee on Health and Human Services. My name is Kirsten Figueroa, and I am the Commissioner of the Department of Administrative and Financial Services. I am here today to testify in support of the fiscal year 2019 supplemental budget bill, LR 2406.

Initiatives related to the Department of Health and Human Services are included on pages A-6 and A-7.

The first initiative affects two programs within the Dorothea Dix Psychiatric Center. The initiative requests to transfer the General Fund headcount and costs associated with 6 Mental Health Worker I positions to the Disproportionate Share – Dorothea Dix Psychiatric Center program (Z225) from the Dorothea Dix Psychiatric Center program (Z222) because the positions were put into the wrong account. This initiative does not result in any additional General Fund costs. This initiative is continued in the biennial budget.

The next initiative corrects allocation coding. Public Law 2017, chapter 460 provided additional funding to the Department of Health and Human Services for a variety of Medicaid services. The law provided all the federal allocation in the Medical Care – Payments to Providers program. A portion of the federal allocation should have been included in the Nursing Facilities program. At the bottom of page A-6 is the reduction to federal allocation in the Medical Care – Payments to Providers account; the corresponding increase to the Nursing Facilities program is at the top of page A-7.

There are three pieces of language associated with the Department of Health and Human Services.

Drug overdoses took 282 lives in Maine in just the first 9 months of 2018 – one overdose per day. Evidence is clear that medication-assisted treatment is a critical tool in fighting opioid addiction. Part B repeals 22 MRSA §3174-SS, which requires prior authorization to exceed the lifetime maximum coverage and reimbursement limit of 24 months under MaineCare for buprenorphine and naloxone combination drugs for the treatment of addiction. Part C repeals 22 MRSA §3174-VV, which requires prior authorization to exceed the lifetime maximum reimbursement of 24 months for methadone for the treatment of addiction. There is no appropriation request associated with these changes as MaineCare guidelines enable providers to seek prior authorization from the Department allowing for continued coverage and reimbursement of these services. Removing the time limits removes the stigma associated with this treatment and reduces unwarranted burden on providers.

Part F authorizes the Department of Health and Human Services to transfer any remaining balance specifically related to Supplemental Nutrition Assistance Program overpayments in the Federal Expenditures Fund, Food Supplemental Administration account to the Other Special Revenue Funds, Food Supplemental Administration account. The purpose of this initiative is to segregate the State's portion of overpayments for increased transparency and better management of the account.

This concludes my testimony. I would be happy to address any questions you may have.



State of Maine
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Janet T. Mills
GOVERNOR

Barry J. Hobbins
PUBLIC ADVOCATE

February 20, 2019

OFFICE OF THE PUBLIC ADVOCATE

An Act To Make Supplemental Appropriations and Allocations for the Expenditures of State Government and To Change Certain Provisions of Law Necessary to the Proper Operations of State Government for the FY ending 6/30/2019

Good morning. My name is Barry Hobbins and I was sworn in as the new Public Advocate on June 9, 2017. I took leadership of the Office of the Public Advocate ("OPA") on June 19, 2017.

As you may know, every electric utility is subject to an assessment under the Maine Revised Statutes, Title 35A, section 116, subsection 8, and is subject to an additional assessment on its intrastate gross operating revenues sufficient to produce \$353,000 total. The revenues produced from this assessment are transferred to the Public Advocate Regulatory Fund. Your packet will evidence a supplemental budget request of \$353,000 which may only be used for the costs of retaining expert witnesses and related costs associated with representing Maine electrical ratepayers in the soon to be filed Emera Maine rate case and bifurcated Central Maine Power billing/metering and rate cases,

The biennium budget for FY 18 and FY 19 was authorized by the Legislature and took effect July 1, 2017. I arrived at a time when funds were already committed and in the process. Former Governor LePage did not allow agencies to submit supplemental appropriations. I submitted to Governor LePage on behalf of the OPA a financial order in the amount of \$299,640.00 allotting the unencumbered balance forward in FY 18 and FY 19 to enable the OPA to be involved in some very unforeseen proceedings. These unforeseen events such as the wind storm of October 2017, Emera Maine's second and

third unprecedented rate filings, Central Maine Power Company's ("CMP") ongoing issues regarding customer service, communication, metering and a new problematic billing system as well as the new tax cuts and job acts have depleted the encumbered balance forward of the OPA. For the OPA to succeed in providing quality representation on behalf of Maine ratepayers emergency supplemental funds are necessary.

Unfortunately, my predecessor did not request an increase in the contractual line item in the previous biennium budget request in 2017. As the current Public Advocate I am now before you to requesting a supplemental increase which should have occurred during the submission of the FY 18 and FY 19 biennium budget. In the biennium budget FY 20 and FY 21 recommended by Governor LePage and presented by Governor Mills, the OPA did address the need for a permanent increase within the contractual line item.

Attached for the Committee's benefit is a spreadsheet that provides details of insufficient contractual funds from FY 15 – FY 19, financial needs assessment of ongoing Dockets, and the FY 20-21 biennium budget request.

FY 18

- Low-income study was a result of Docket No. 2016-00159 - \$107,041 in the process by previous Public Advocate – not a typical study OPA would produce
- distributed solar \$71,500 in the process by previous Public Advocate– production of white papers for stakeholders
- Voltage optimization/Emera Acadia Substation Docket No. 2017-00018 was in process by previous Public Advocate - \$152,100
- Emera rate case the second one in three years Docket No. 2017-00198 – involved management audit by Liberty Consulting regarding implementation of new billing system - \$116,770 not typically filed so close to the first rate increasing filing
- Portland area build of transmission on hybrid transmission & non-transmission alternate (NTA) solution to resolve reliability need, pilot project Docket No. 2011-00138 - \$115,613

- CMP billing system was approved at \$52M. CMP to provide education to customers on the changes that will result from new billing implementation. \$50,000 not a typical proceeding
- Efficiency Maine triennial phase III Docket No. 2015-00175 - \$103,320
- Emera storm report \$60,000 – not a typical proceeding
- Northern Gas rate case/Gas companies annual cost of gas filing - \$109,850
- NEPOOL Consulting \$35,000 – on going
- Emera certificate of finding of public convenience and necessity for construction of transmission line in Northern Maine Docket No. 2014-00048 - \$21,000
- CMP wind storm response of 2017 Docket No. 2017-00324 – \$59,500– not a typical proceeding
- Impact of tax cuts and job acts \$49,850 (electric) – not a typical proceeding
- CMP certificate of public convenience and necessity to build a 143-mile transmission line from the Canadian border in Bettie Township to Lewiston Docket No. 2017-232 - \$23,400

FY 19

- NEPOOL & ISO-NE Cases - \$61,600
- Maine Natural Gas proceeding, result of order in Docket No. 2018-00149 \$48,700 – not typical proceeding to have another proceeding as a result of a PUC order
- Investigation into rate-setting mechanisms regarding non-wires alternative Docket No. 2018-00171 - \$45,780
- CMP billing matter Docket No. 2018-00052 as a result of the PUC Liberty Consulting Report \$59,700 – amendment in the process for \$218,960 – not a typical proceeding
- Third Emera rate case \$40,205 – not typical to have three rate cases within three years by an electric company
- Impact of the tax cuts and job acts \$43,462 (gas) Docket Nos. 2018-00005, 00006, 00007 – not a typical proceeding
- Efficiency Maine 4th triennial plan \$94,100

- Various water cases/impact of tax cuts and jobs act \$30,000 – not a typical proceeding
- Bangor Gas proceeding, Docket No. 2017-00147 and Maine Natural Gas Docket No. 2017-00209 investigation into large volume customer underbilling - \$114,000 – underbilling proceeding is a not a typical proceeding
- Three 10-person complaints about service by CMP, cases are all individual proceedings. Thought is the Commission will combine all three together – no contract to date may cost up to \$50,000
- CMP rate case Docket No. 2018-00194 - \$46,665.
- Northern rate case Docket No. 2017-00065 - \$93,312
- Possibly in the 4th quarter that Emera will file for performance based regulation – cost of consultant could be as much as \$100,000

On January 22, 2019, I appeared before the Joint Standing Committee on Energy, Utilities and Technology and made a presentation to that Committee regarding the OPA giving them some background regarding the office as well as an update of current cases we are working on. You will find a copy of that presentation attached hereto.

I appreciate this opportunity to come and speak before you today and would be more than happy to answer any questions you may have or if you need any additional information.

Respectfully submitted,



Barry J. Hobbins
Public Advocate

PART __

Sec. __. Office of the Public Advocate; special assessment on electric utilities.

Notwithstanding any other provision of law, in fiscal year 2018-19, every electric entity subject to an assessment under the Maine Revised Statutes, Title 35A, section 116, subsection 8 is subject to an additional assessment on its intrastate gross operating revenues sufficient to produce \$353,000 total. The revenues produced from this assessment are transferred to the Public Advocate Regulatory Fund. All Other in the amount of \$353,000 may only be used for the costs associated with representing Maine electrical ratepayers about Maine's public interests for the anticipated Emera Maine rate case and bifurcated Central Maine Power billing/metering and rate case for retention of expert witnesses and related costs.

SUMMARY

PART ____

This Part authorizes the Office of the Public Advocate to assess additional revenue from electric utilities in order to fund the costs of representing ratepayers in rate cases.

**Department of Administrative and Financial Services
BUDGET INITIATIVE REQUEST FORM**

GRP # TYPE CHG # ONGOING ONE TIME

INITIATIVE DESCRIPTION (25 WORDS OR LESS)

Provides an allocation for expenditures anticipated in the fifth Emera Maine rate case since 2013 and the bifurcated Central Maine Power's billing/metering and rate case for retention of expert witnesses and related costs.

JUSTIFICATION OF INITIATIVE (DETAILED)

Emera Maine has notified the Office of the Public Advocate of their intention to file their fifth rate case request since 2013 for an increase in rates with the Maine Public Utilities Commission. Following receipt of an independent audit, the Commission has ordered a full investigation of CMP's billing and metering system, to take place in a separate docket, and an investigation of CMP's customer communications and customer services to take place in docket 2018-194, which is an investigation of CMP's rates and revenue requirement. The additional emergency FY 19 assessment on electric companies, a request of \$353,000 will ensure that Office will have sufficient funds to hire consultants in order to remain fully engaged in these proceedings on behalf of the ratepayers of Maine.

ACCOUNT NAME:

Office of the Public Advocate (Regulatory Fund)

PERSONAL SERVICES:

CLASSIFICATION (ATTACH SEPARATE SHEET IF MORE THAN 3 POSITIONS):

	FY19 EST. COST	FY20 EST. COST	FY21 EST. COST
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Personal Services Total	-	-	-

40	PROF. SERVICES, NOT BY STATE	350,000		
41	PROF. SERVICES, BY STATE			
42	TRAVEL EXPENSES, IN STATE			
43	TRAVEL EXPENSES, OUT OF STATE			
44	STATE VEHICLES OPERATION			
45	UTILITY SERVICES			
46	RENTS			
47	REPAIRS			
48	INSURANCE			
49	GENERAL OPERATIONS			
50	EMPLOYEE TRAINING			
51	COMMODITIES - FOOD			
52	COMMODITIES - FUEL			
53	TECHNOLOGY			
54	CLOTHING			
55	MINOR EQUIPMENT			
56	OFFICE & OTHER SUPPLIES			
58	HIGHWAY MATERIALS			
64	GRANTS TO PUB AND PRIV ORGNS			
67	ASSISTANCE AND RELIEF GRANT			
8511	STA CAP (e 0.831 <input type="checkbox"/>	3,000	-	-
	All Other Total	353,000	-	-
	Grand Total	353,000	-	-

REVENUE/TRANSFERS:

Account number including revenue source code

014-07h-0410-03	0826	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

PUBLIC ADVOCATE 0410

What the Budget purchases:

The Public Advocate represents Maine utility consumers in matters overseen by the Public Utility Commission (PUC) so that consumers have affordable, high quality utility services, and seeks to carry out this representation in a principled, diligent and compassionate manner. The advocacy role includes negotiating for the lowest feasible level of rates and for the delay of increases when supported by adequate evidence; implementing policy set by the PUC, the Governor, and the Legislature; maintaining frequent and consistent contact with ratepayer organizations, individual consumers and their representatives in order to better identify emerging problems affecting service quality for utility customers; pursuing in federal agency findings and courts each of these objectives in order to protect the interests of Maine ratepayers; and working with ISO-NE and becoming a member of the NEPOOL to stabilize and lower electricity prices for Maine and the northeast region.

	<u>Actual</u> 2017-18	<u>Current</u> 2018-19	<u>Budgeted</u> 2019-20	<u>Budgeted</u> 2020-21
Program Summary - OTHER SPECIAL REVENUE FUNDS				
Positions - LEGISLATIVE COUNT	9,000	9,000	9,000	9,000
Personal Services	1,188,894	1,215,135	1,296,505	1,304,063
All Other	683,987	683,987	683,987	683,987
Total	1,872,981	1,899,122	1,980,492	1,988,050

Initiative: Provides funding for increased educational outreach.

OTHER SPECIAL REVENUE FUNDS

All Other

	2019-20	2020-21
All Other	34,000	34,000
Total	34,000	34,000

Initiative: Provides funding for an anticipated increase in the cost of leased space.

OTHER SPECIAL REVENUE FUNDS

All Other

	2019-20	2020-21
All Other		3,500
Total	0	3,500

Initiative: Provide funding for an increase in contractual services.

OTHER SPECIAL REVENUE FUNDS

All Other

	2019-20	2020-21
All Other	400,000	400,000
Total	400,000	400,000

Initiative: Provides funding for increase in the cost of operations.

OTHER SPECIAL REVENUE FUNDS

All Other

	2019-20	2020-21
All Other	18,060	18,060
Total	18,060	18,060

Initiative: Provides one-time funding for website redesign.

OTHER SPECIAL REVENUE FUNDS

All Other

	2019-20	2020-21
All Other	5,900	900
Total	5,900	900

	<u>Actual</u>	<u>Current</u>	<u>Budgeted</u>	<u>Budgeted</u>
	2017-18	2018-19	2019-20	2020-21
Revised Program Summary - OTHER SPECIAL REVENUE FUNDS				
All Other	100,000	100,000	241,493	242,233
Total	251,934	258,409	259,450	260,930

OFFICE OF POLICY AND MANAGEMENT Z135

What the Budget purchases:

The Governor's Office of Policy and Management carries out the responsibilities of the State relating to identification and implementation of improvements to State government and its services. Through close coordination between the Director and other professional staff, the Office conducts budget development and review across agencies, facilitates intergovernmental coordination, evaluates effectiveness of economic incentive programs including tax policy and communicates economic data.

	<u>Actual</u>	<u>Current</u>	<u>Budgeted</u>	<u>Budgeted</u>
	2017-18	2018-19	2019-20	2020-21
Program Summary - GENERAL FUND				
Positions - LEGISLATIVE COUNT	5,000	5,000	5,000	5,000
Personal Services	599,822	608,965	651,092	666,927
All Other	63,123	63,123	63,123	63,123
Total	662,945	672,088	714,215	730,050

Initiative: Establishes 5 Public Service Coordinator II positions and provides funding for related All Other costs.

	2019-20	2020-21
Total	631,678	658,433

GENERAL FUND

Positions - LEGISLATIVE COUNT	5,000	5,000
Personal Services	598,700	625,455
All Other	32,978	32,978
Total	631,678	658,433

	<u>Actual</u>	<u>Current</u>	<u>Budgeted</u>	<u>Budgeted</u>
	2017-18	2018-19	2019-20	2020-21
Revised Program Summary - GENERAL FUND				
Positions - LEGISLATIVE COUNT	5,000	5,000	10,000	10,000
Personal Services	599,822	608,965	1,249,792	1,292,382
All Other	63,123	63,123	96,101	96,101
Total	662,945	672,088	1,345,893	1,388,483

State of Maine
 Budget & Financial Management System

Statewide Financial Order Report
 Financial Order 004904 F9

Umbrella: EXP00		PUBLIC ADVOCATE					2019	2019	2019	2019	2019	2019
Object	Month	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Annual Total						
Personal Services												
PERMANENT REGULAR	1	13,923	13,921	13,921	13,921	55,686						
ATTRITION	1				(12,579)	(12,579)						
LIMITED PERIOD REGULAR	1	200,986	216,986	178,986	130,987	727,945						
LONGEVITY PAY	1		2,704			2,704						
HEALTH INSURANCE	1	36,189	36,189	36,188	36,188	144,754						
DENTAL INSURANCE	1	702	701	701	701	2,805						
EMPLOYEE HLTH SVS/WORKERS COMP	1	4,213	4,211	4,211	4,211	16,846						
EMPLOYER RETIREE HEALTH	1	23,597	25,354	20,344	1,675	70,970						
EMPLOYER RETIREMENT COSTS	1	15,435	18,137	15,645	5,428	54,645						
EMPLOYER GROUP LIFE	1	1,765	1,762	1,762	1,762	7,051						
EMPLOYER MEDICARE COST	1	4,373	4,373	4,373	4,373	17,492						
RETIRE UNFUNDED LIABILITY-REG	1	42,296	45,296	36,272	2,952	126,816						
Subtotal Personal Services	1	343,479	369,634	312,403	189,619	1,215,135						
Total Personal Services		343,479	369,634	312,403	189,619	1,215,135						
All Other												
PROF. SERVICES, NOT BY STATE	1	320,497	70,000	25,000	20,345	435,842						
PROF. SERVICES, BY STATE	1	1,299	1,099	399	397	3,194						
TRAVEL EXPENSES, IN STATE	1	1,391	1,391	1,390	1,391	5,563						
TRAVEL EXPENSES, OUT OF STATE	1	8,000	2,175	2,175	8,000	20,350						
UTILITY SERVICES	1	922	922	922	922	3,688						
RENTS	1	10,841	10,841	10,841	10,838	43,361						

Statewide Financial Order Report
Financial Order 004904 F9

Umbrella: EXP00		PUBLIC ADVOCATE							2019
Object	Month	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Annual Total	2019	Annual Total	
All Other									
RENT, BUILDINGS AND OFFICE	1	1,188	1,188	1,188	1,161	4,725		4,725	
REPAIRS	1	397	397	397	397	1,588		1,588	
INSURANCE	1	1,500	153	200	1,300	3,153		3,153	
GENERAL OPERATIONS	1	15,178	15,179	15,179	15,179	60,715		60,715	
EMPLOYEE TRAINING	1	5,000	5,000	5,000	5,000	20,000		20,000	
TECHNOLOGY	1	13,296	13,296	13,296	13,293	53,181		53,181	
OFFICE & OTHER SUPPLIES	1	3,937	3,937	3,937	3,936	15,747		15,747	
TRANS TO GENERAL FUND	1	1,300				1,300		1,300	
TRANS TO GEN FUND STACAP	1	4,598	3,740	2,042	1,200	11,580		11,580	
Subtotal All Other	1	389,344	129,318	81,966	83,359	683,987		683,987	
Total All Other		389,344	129,318	81,966	83,359	683,987		683,987	
Total		732,823	498,952	394,369	272,978	1,899,122		1,899,122	

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Company Name	Service Type	Utility	Year	Customer Name	Address	City	State	Zip	Assessor Name	Assessment Value	Assessment Date	Assessment Year
CENTRAL MAINE POWER COMPANY	Electric	Transmission and Distribution Utilities (T and Ds)	2017	Eric Sunneford	83 Edison Drive	Augusta	MAINE	04836	Ferrin, Janice	\$294,388,975	0.00083164	\$244,826.00
EASTERN MAINE ELECTRIC CO-OP, INC	Electric	Transmission and Distribution Utilities (T and Ds)	2017	Scott Hollowell	PO Box 425	Chais	MAINE	04619-0425	Moholland, Janet C	\$8,218,376	0.00083164	\$6,835.00
EMERA MAINE	Electric	Transmission and Distribution Utilities (T and Ds)	2017	Emera Maine	970 Illinois Avenue	Bangor	MAINE	04401	Allen, Peggy	\$111,968,303	0.00083164	\$93,117.00
FOX ISLANDS ELECTRIC COOPERATIVE, INC	Electric	Transmission and Distribution Utilities (T and Ds)	2017	Barbara Hamilton	PO Box 527	Vinalhaven	MAINE	04869-0527	Hamilton, Barbara	\$1,941,587	0.00083164	\$1,615.00
HOULTON WATER COMPANY - ELECTRIC DEPT.	Electric	Transmission and Distribution Utilities (T and Ds)	2017	Greg Sherman	PO Box 726	Houlton	MAINE	04730	Sherman, Gregory Floyd	\$2,990,043	0.00083164	\$2,487.00
ISLE-AU-HAUT ELECTRIC POWER COMPANY	Electric	Transmission and Distribution Utilities (T and Ds)	2017	Bill Stevens	PO Box 65 1 Landing Lane	Isle Au Haut	MAINE	04645	Stevens, William	\$101,433	0.00083164	\$84.00
KENNEBUNK LIGHT & POWER DISTRICT	Electric	Transmission and Distribution Utilities (T and Ds)	2017	Matt Rancourt	4 Factory Pasture Lane	Kennebunk	MAINE	04043	Rancourt, Matthew Allen	\$2,612,023	0.00083164	\$2,172.00
MADISON ELECTRIC WORKS	Electric	Transmission and Distribution Utilities (T and Ds)	2017	Martin Berry	6 business park dr	Madison	MAINE	04850-0190	Berry, Martin W	\$1,219,605	0.00083164	\$1,014.00
MATINICUS PLANTATION ELECTRIC COMPANY	Electric	Transmission and Distribution Utilities (T and Ds)	2017	Kimberly Peabody	PO Box 238	Matinicus	MAINE	04851-0238	Peabody, Kimberly	\$105,823	0.00083164	\$88.00

OFFICE OF THE PUBLIC ADVOCATE - INSUFFICIENT CONTRACTUAL FUNDING FY 15 - FY 19

	FY 15	FY 16	FY 17	FY 18	FY 19
FY Contract Budget	\$ 395,335.00	\$ 417,345.00	\$ 417,345.00	\$ 435,842.00	\$ 435,842.00
Allotment Trans Fees					\$ 118,140.00
Previous Yr. Encumbered Contracts that carried	\$ 109,797.00	\$ 203,368.00	\$ 94,871.00	\$ 95,913.00	\$ 252,080.00
TOTAL BETWEEN ACTUAL & CONTRACTS THAT CARRIED	\$ 505,132.00	\$ 620,713.00	\$ 512,216.00	\$ 531,755.00	\$ 806,062.00
Year-End Actual Contractual Expenditures	\$ 513,984.00	\$ 657,182.00	\$ 576,652.00	\$ 623,539.00	
Unencumbered Balance Forward	\$ 499,706.00	\$ 434,878.00	\$ 375,613.00	\$ 530,806.00	\$ 295,241.00
Financial Order Request use of portion or all of unencumbered balance forward	\$ (3,600.00) AO/FO	\$ (3,600.00) AO/FO			UB/FO (\$295,241.00)
	\$ (99,278.00) UB/FO	\$ (1,222.00) AO/FO		\$ (1,718.00) AO/FO	\$ (5,396.00) AO/FO
	\$ (720.00) AO/FO				
	\$ (109,860.00) UB/FO				
Total Funds Used from UB	(\$209,138.00)			(\$299,640.00)	(\$295,241.00)

AO/FO = All Other line category move by financial order

UB/FO = Unencumbered balance forward request allotment by financial order

FY 16 and FY 17 had no allocations from Unencumbered Balance Forward, however if you take a look at totals between actual and contracts that carried, and then look at the Year-End Actual Contractual Expenditures you can see that the actuals were more than the above total. In FY 16 \$36,469 was used from other lines in all other and in FY 17, \$64,436 was used. This is not a sustainable way to manage the Office's contractual obligations.

In FY 19 the unencumbered balance forward was \$295,241. By Financial Order requesting authorization for allocation, the amount was granted, leaving unencumbered balance depleted.

NEW AND CURRENT CASES FINANCIAL NEED

CONSULTANT	CASE/PROCEEDING	FY 2018	FY 2019
New Power Technology	Central Maine Power - filing - Docket No. 2017-00138 - Portland Area Build a transmission or hybrid transmission and non-transmission alternative (NTA) solution to solve a reliably need	\$115,613 ENCUMBERED IN FY 2018 - \$94,013 remains as of 9/17	ADDITIONAL FUNDS NEEDED \$30,000
Power Services	Acadia - Emera cases - substation	\$6,103.74 remains on this contract from FY 18	\$75,000 encumbered in the 1st quarter
Indiana Printing & Publishing	Ratewatcher Guide	\$7,208.17 ENCUMBERED IN FY 2018	
GDS	Low-income study	\$85,261 ENCUMBERED IN FY 2018 - \$5.00 remains on this contract	
Synapse	Low-income study	\$21,780 ENCUMBERED IN FY 2018 - \$14,250 remains on the contract	
CMP 10-Person Complaints	CMP 10-Person Complaints, 2018-330 Dover-Foxcroft, 2018-340 Jackman and Docket No. 2019-11 Caratunk - may be consolidated into one docket		\$50,000 funds needed
Sage Management	CMP / Emera- Request - Request for approval of an accounting order regarding October 2017 wind storm 2018-00168 - 2018-00021	\$60,000 ENCUMBERED IN FY 2018 - Remaining on the contract is \$14,908.75	\$29,500 encumbered amendment 3rd qtr
Exeter	CMP - Investigation - Commission initiated investigation on the impact of the tax cuts and jobs Act of 2017 pertaining to Central Maine Power Company 2018-00004		
	Maine Natural Gas - investigation (HAS BECOME CONTROVERSIAL) Commission initiated investigation of the impact of the tax cuts and jobs Act of 2017 pertaining to Maine Natural Gas of Maine, Inc. 2018-00005	\$49,850 encumbered in FY 18	\$43,462 encumbered in 1st quarter
	Summit Natural Gas - investigation - Commission initiated investigation of the impact of the tax cuts and jobs Act of 2017 pertaining to Summit Natural Gas of Maine, Inc. 2018-00006		

	Bangor Natural Gas – investigation (HAS BECOME CONTROVERSIAL) - Commission initiated investigation of the impact of the tax cuts and jobs Act of 2017 pertaining to Bangor Natural Gas Company, Inc. 2018-00007		
Synapse	NEPOOL contract till 12/31/18 (6 months)		\$30,800 encumbered 1st quarter FY 19 additional \$30,800 for amendment 2nd 1/2 FY 19
Exeter Associates	Triennial Plan		\$94,100 encumbered 1st qtr
Dunn, Berry, McNeil & Parker, LLC	CMP – Inquiry - Commission initiated investigation into metering, billing and customer communications pertaining to Central Maine Power Company 2018-00052		\$59,700 will be encumbered 1st qtr (funded transmission fund) (new scope of work includes litigation \$218,960)
Synapse	PUC Investigation - Review of rate proposals to address incentives for non-wires solutions 2016-00049		\$45,780 encumbered 1st qtr (transmission fund)
Scott Rubin	Will provide advice on NECEC 2018 - 2017-00232	\$23,400 ENCUMBERED IN FY 2018 \$18,754.75 remains on the contract	
North Side Energy	COST of GAS Northern Summit Bangor 2018-00161 Maine Natural 2018-00149	\$29,000 encumbered in FY 18 in amendment	\$19,000 encumbered in FY 19 in 1st quarter
	FERC Gas – rate case consultant John only helping with a portion of the case - MAY NEED TO HIRE SOMEONE ELSE		
	Capacity resource cases (2) May get litigated		
	Maine Natural Gas – Investigation - Commission initiated of investigation into large volume customers underbilling pertaining to Maine Natural Gas Corporation 2017-00209		
	Gas – policy proceeding 2015-00155		
PR Maine	Communications - Public Relations Assistance		\$5,000 encumbered 1st quarter

PCMG	Emera rate case - return on equity		\$18,705
RFP - possibly end FY19	Emera rate case - Performance Based Regulation		Approximate cost \$100,000.
Exeter	CMP Rate Case 018-00194		\$28,850.00 encumbered 2nd quarter
PCMG	CMP Rate Case 018-00194		\$17,815 encumbered 2nd quarter
North Side Energy	Maine Natural Gas - result of order in Docket No. 2018-00149		\$48,700 encumbered 1st qtr
Water / Rate case – Larkin amend Maine Water Case	Commission initiated investigation of the impact of the tax cuts and jobs Act of 2017 pertaining to all the Maine Water Companies 2018-00008	\$15,000 encumber in FY 18	\$15,000 encumbered 1st quarter
Maine Water - 10 Divisions	Division bundle for possibility of taking care of the Tax Impact on all ten divisions		Approximate cost \$20,000
David Brevitz	Maine Water Co. - Requet for Approval of Reorganization Between SJW Group and CTWS Pertaining to the Maine Water Company		\$5,000 encumbered 1st quarter

Regulatory Fund Account	FY 19 OPA Budget - Contracts	CONTRACTUAL AMOUNT FY 19	\$435,842.00
Transmission Account	Filing Fee in CMP transmission case	CONTRACTUAL AMOUNT FY 19	\$117,000.00
Unencumbered Balance Forward Allotted		CONTRACTUAL AMOUNT FY 19	\$292,241.00
		TOTAL AVAILABLE FY 19	\$845,083.00
	EXPENDED	TOTAL CONTRACTS ENCUMBERED 9-12-18 (1st Qtr)	\$530,692.00
		REMAINDER OF CONTRACTUAL BUDGET FY 2019	\$314,391.00
		ANTICIPATED COSTS	\$437,665

Jpdated 2/14/19

Anticipated Funds for Contracts - Bal. 3rd Qtr FY 19	(\$123,274)
FINAL TOTAL	-\$123,274.00
	AVAILABLE



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Janet T. Mills
GOVERNOR

Barry J. Hobbins
PUBLIC ADVOCATE

Chairman Lawrence, Chairman Berry and Members – both new and returning - of the Energy, Utilities and Technology Committee:

My name is Barry Hobbins and I am the Public Advocate and have served as such since June of 2017. As some of you know and for those who do not I have a long history with this committee having served as both Senate and House Chair. As Public Advocate, I enjoyed working with the EUT during the second half of the last session and I am looking forward to working with you all in the 129th Legislature. It is my pleasure to speak briefly to you today regarding The Office of the Public Advocate and to answer any questions you may have.

The Office of the Public Advocate (“OPA”) was created in 1981 (Title 35-A M.R.S. Chapter 17) and is a part of the Executive Department of the State of Maine. The Public Advocate is appointed by the Governor and is subject to review by this committee and is further subject to confirmation by the Legislature. Currently the OPA has 9 employees consisting of the Public Advocate, Deputy Public Advocate, 3 Senior Counsel, a Research Assistant, a Consumer Advisor, a Business Services Manager and a Special Assistant to the Public Advocate which is set forth in the organizational chart that follows.

It is statutorily mandated that the OPA prepare and submit to the Governor and this joint standing committee an annual report which is done prior to August 1st of each year. This report reflects the year’s activities and summarizes cases the office has been and is currently involved in. I believe copies of the annual report have been previously provided to you. Should any of you have any questions about the last report or would like an additional copy please let me know.

The OPA website recently underwent a redesign allowing information to be more accessible for users. I urge you to visit www.maine.gov/meopa where you and your constituents will find information and links that we believe to be helpful and useful.

The overall and main duty of the OPA is independent representation of the interests of the using and consuming public (or ratepayers) in matters within the jurisdiction of the Maine Public Utility Commission (“PUC” or “Commission”). The

duties and responsibilities of the OPA are also to initiate, intervene and appear in proceedings that affect the customers of any utility or competitive service provider that does business in the State.

The Public Advocate, when taking a position in a proceeding exercises independent judgment. When representing the interest of consumers, priority is given to low-income consumers, residential consumers, small business consumers and others we feel are inadequately represented.

Our attorneys advocate for rates, services, as set forth in our authorizing statute, 35-A M.R.S. § 1702, and practices to benefit utility customers in regulatory and court proceedings. We routinely monitor all cases initiated before the Commission and intervene in any proceeding at the Maine Public Utilities Commission (“MPUC”) in which we feel is necessary.

The OPA also initiates proceedings at the PUC which include investigations into utility low income assistance programs, pole attachment reform and most recently the pending investigation into metering, billing and customer communication pertaining to Central Maine Power Company.

Our Office also intervenes in cases before the Federal Energy Regulatory Commission (FERC), the federal agency that oversees wholesale electricity markets, interstate electricity transmission and interstate gas transportation, and the Federal Communications Commission (FCC) which regulates interstate communications by radio, TV, wire, satellite and cable. We are also active as a consumer representative in the stakeholder process at ISO New England, the regional electric transmission grid operator. In addition, our Office testifies before the Legislature on matters affecting utility consumers, and provides information regarding utility services to the public at large.

The OPA is funded by surcharge on entities subject to PUC jurisdiction. Costs are allocated to each industry (electric/ferry/gas/telecommunications/water) based on time and expenditures from the previous year. The OPA budget for Fiscal Year 2019 totals \$2,312,503.00 a breakdown of which is included herein.

Each year the OPA calculates savings which are attributable to its intervention in proceedings at the MPUC. During Fiscal Year 2018, our advocacy saved ratepayers \$13,040,845.00 bringing our 37-year total to more than \$586,500,109.00.

The OPA and its staff actively participate and are active members of groups and associations such as Consumer Liaison Group (CLG), E4 Group (Transmission Planning and Cost Allocation), National Association of State Utility Consumer

Advocates (NASUCA), New England Power Pool (NEPOOL), Northern Maine Independent System Administrator (NMISA) and Telecommunications Relay Service Council. The office also participates in several stakeholder groups such as AARP, the Community Action Agencies, Efficiency Maine, Maine State Housing Authority, Maine Equal Justice Partners, the Governor's Energy Office and various environmental groups. In addition, and due to my prior telecommunications experience I was appointed by the Chair of the FCC to the North American Numbering Council ("NANC").

I would like to touch briefly on the utility areas that we focus upon.

The first area being gas. There are presently four gas utilities serving the gas customers in Maine: Northern Utilities, Summit Natural Gas, Maine Natural Gas and Bangor Natural Gas. There are two natural gas pipelines that come into Maine from Canada, Portland Natural Gas Transmission System in the west and the Maritimes and Northeast in the east. Even though there are only approximately 50,000 gas customers in Maine supply can be an issue. The gas wells off Nova Scotia have shut down so the only gas coming down the Maritimes and Northeast pipeline is whatever is released by the Canaport LNG facility in New Brunswick. This leaves Portland Natural Gas Transmission System as the sole source of gas for the needs of Maine. The Atlantic Bridge Project, which will allow Maritimes and Northeast to bring gas into Maine from the south, is being held up in regulatory proceedings in Massachusetts. It is the hope that once completed Maine will be able to take advantage of it. Gas use is expanding in Maine and the OPA supports such expansion if it is made affordable for new customers without the need for substantial subsidization from existing customers. In going forward, the OPA expects to be heavily involved in Commission proceedings regarding what the gas utilities charge for the gas they sell to their customers, issues relating to gas utilities' efforts to obtain access to gas such as capacity on interstate pipelines and utility plans for major expansions of their distribution systems.

Regarding water the biggest concerns that we see involve the aging nature of Maine's infrastructure and the growing need for much of it to be replaced which is estimated to run into hundreds of millions of dollars. Many of the smaller water utilities lack the review and other resources needed to address the infrastructure issue as well as other problems such as adequate staffing and training.

Many water utility cases are filed under 35-A M.R.S.A § 6104 which allows for a process with limited review, the OPA does work with many water utilities to find a reasonable balance between the need for additional revenue to replace aging pipes, provide a reasonable level of service and the need for rates to remain affordable. The OPA also supports efforts being made by several utilities to link their systems

together which would allow for a regional response to a drought or any other issues they may face.

The one water issue the OPA has struggled a bit with and one we believe you may be questioned on by your constituents is bulk sales such as Nestle buying water. Many town residents oppose these types of deals but from a dollar prospective they can help a utility to bump up its revenue and address infrastructure needs without a rate increase.

In the area of telecommunications and pole attachments since 2015 the OPA has actively promoted streamlining the process for third parties to gain access to utility poles for purposes of expanding broadband throughout the state. In January of 2018, the Commission promulgated an amendment to Chapter 880, which is the rule that governs attachments to joint-use utility poles, to make it easier and more affordable for broadband providers to gain access to utility poles to hang fiber. The Commission is currently considering amendments to the section of Chapter 880 that governs how third parties will be charged for their attachments to the poles. The OPA will continue to monitor and participate in these rulemaking proceedings.

Telephone providers who offer “provider of last resort” or POLR services, which are basic landline telephone service with no frills, in the state are still subject to regulation. The OPA intervenes in cases that involve POLR service. Currently there is a 10-person complaint brought by the citizens of Brooksville, who have experienced outages and delayed repairs on the telephone service provided by Consolidated Communications.

Looking to the future and because much of telecommunications is either unregulated or regulated at the federal level, it can be frustrating for consumers to obtain relief when they are experiencing problems with their provider, such as a wireless or cable company. In addition much of today’s telecommunications industry is not regulated at the state level and the OPA works on behalf of consumers to assist efforts to expand access to voice and internet services, which are vital to Maine’s future. We often hear from consumers frustrated by the limited options, high prices and low speeds associated with their internet service. The OPA’s consumer advisor provides guidance and assistance to consumers. The OPA will continue to urge state and federal legislators to enact legislation and regulations that protect consumers’ financially and in other ways, such as privacy concerns.

With that in mind, the OPA is supportive of legislation that expands the funding for the ConnectME Authority and gives it the tools it needs to ensure the funding targets projects where they are most needed. The EUT Committee will be taking up L.D. 31, “An Act Regarding Rules Adopted by the ConnectME Authority.” This bill changes the designation of ConnectME’s rules from major substantive to

routine technical, which will give the Authority the ability to amend its program rules expeditiously. This sort of flexibility is critical in the rapidly changing world of broadband. We look forward to working with you on L.D.31.

Regarding electricity, the OPA intervenes in distribution rate cases filed by Central Maine Power Company (“CMP”) or Emera Maine (“Emera”). In these cases, it is the practice of the OPA to hire accounting and finance experts to work with us in analyzing the utility’s case and to prepare responsive testimony. The OPA commonly intervenes in transmission CPCN (Certificate of Public Convenience and Necessity) cases to examine the need for the line as well as the cost. We also advocate for non-wires alternatives or NWA’s in both distribution and transmission cases as a way for the utilities to provide reliable service at a lower cost. The OPA will be working with this Committee on upcoming legislation in the area of NWA’s.

There are times that we become involved in cases initiated by ratepayers via a 10-person complaint. There are currently three such cases filed against CMP that await review by the Commission all which concern CMP’s provision of reliable service in rural services areas (Dover-Foxcroft, Jackman and Caratunk).

We also participate in storm outage cases in which the costs of extraordinary storms are examined and reviewed. In these cases, the OPA assists with the review of the utility’s preparedness for and response to the storm and how it accounted for the its costs of restoration. I am sure you all remember of the October storm of 2017.

Currently the OPA is involved in three major cases all involving CMP. The first being CMP’s request for a CPCN for its proposed transmission line to wheel power from Quebec to Massachusetts. This matter is in the briefing stage. The OPA also entered its appearance in the DEP related application.

The second case is the Commission’s investigation into CMP’s distribution rates in which CMP is seeking a \$22 million increase.

The third case and probably the most recognizable to you is the Commissions’ audit of CMP’s metering, billing and customer service issues that arose last winter. The Commission formally opened an investigation which has bifurcated (divided into two parts) into two dockets.

Emera has also indicated to us that it will soon file its fourth rate case since 2013 and we will actively participate in that case once filed.

The world of transmission is changing as evidenced by the CMP’s NECEC case currently before the PUC. Transmission line CPCN’s may not always be driven

by reliability. The evolution in this area raises the questions of what is meant be “need” in the statute.

Again, I look forward working with you all this upcoming session. If you have any questions, please feel free to talk to me before or after any public hearing or work session or contact me at the office.

Respectfully submitted,

A handwritten signature in cursive script that reads "Barry J. Hobbins". The signature is fluid and somewhat stylized, with the first letters of the first and last names being capitalized and prominent.

Barry J. Hobbins
Public Advocate

2019 Budget Information

	Original Budget	Filing Fee	Financial Orders	Total
Personal Services	\$1,215,135		+\$ 5,396	\$1,220,531
All Other	\$ 683,987	\$118,140	\$295,241 -\$ 5,396	\$1,091,972
Total	<u>\$1,899,122</u>			<u>\$2,312,503</u>

The Personal Services line represents an increase of \$5,396 that was reduced All Other through a financial order to hire a summer intern from the Maine Law School.

The All Other filing fee represents the transmission fee for the NECEC filing authorized by 35-A, §3132 10-A. A financial order in amount of \$295,241 requested unencumbered balance forward be allotted and moved into All Other.

PUBLIC ADVOCATE

Bairr Hobbins

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COUNSEL**

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Robert Creamer
Liz Wyman

**DEPUTY PUBLIC
ADVOCATE**

Agnes Gormley

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SERVICES
MANAGER**

Gayle Witham

**SPECIAL ASSISTANT
TO THE
PUBLIC ADVOCATE**

Shareen Thompson

**CONSUMER
ADVISOR**

Kiera Reardon

**PUBLIC SERVICE
MANAGER II**

Patty Moody-D'Angelo