

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

## **An Act To Assist Electric Utility Ratepayers**

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

**Sec. 1. 35-A MRSA §3214, sub-§2-A** is enacted to read:

**2-A. Arrearage management program.** A 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. The commission shall establish the terms and conditions of 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. Include measures to assist program participants in reducing their electricity consumption, including an electricity usage assessment at no cost to the participant;
- C. Require transmission and distribution utilities to work with the Efficiency Maine Trust to establish a complementary energy efficiency program for participants in arrearage management programs to help reduce participants' electricity consumption; and
- D. Ensure that a transmission and distribution utility recovers in rates all costs of arrearage management programs, including incremental costs, reconnection fees and administrative and marketing costs but not including the amount of any arrearage forgiven that is treated as bad debt for purposes of cost recovery by the transmission and distribution utility.

No later than February 28, 2018, the commission shall prepare a report assessing the effectiveness of arrearage management programs under this subsection, including the number of participants enrolled in the programs, the number of participants completing the programs, the number of participants who have failed to complete the programs, the dollar amount of arrears forgiven, a comparison of outcomes for those participating in the programs and those not participating, the impact on a transmission and distribution utility's bad debt as a result of the programs, the costs and benefits to all ratepayers associated with the programs and recommendations for ways in which the programs might be improved or continued for the benefit of all ratepayers. In preparing its report, the commission shall hold at least one formal stakeholder

meeting involving affected parties, including the Office of the Public Advocate and the participating transmission and distribution utilities. Parties must also be provided an opportunity to submit written comments to the commission regarding the performance of the programs.

This subsection is repealed September 30, 2018.

## **SUMMARY**

This bill requires transmission and distribution utilities to implement arrearage management programs to assist eligible low-income residential customers who are in arrears on their electricity bills. The Public Utilities Commission must develop the program through rulemaking. The program must include measures to help participants reduce their energy consumption, including a free electricity usage assessment and the requirement that transmission and distribution utilities work with the Efficiency Maine Trust to provide complementary energy efficiency programs for program participants. The bill requires that a transmission and distribution utility recover in rates all costs of the program except those arrearages that are forgiven and written off as bad debt.