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

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

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

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

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

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

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

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

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

For purposes of this subsection, "residential consumer" means a consumer defined as residential under the terms and conditions of the consumer's transmission and distribution utility. For purposes of this subsection, "small commercial consumer" means, in the case of a consumer served by an investor-owned transmission and distribution utility, a nonresidential consumer that meets the availability criteria to take service under a core customer class of the transmission and distribution utility that does not pay a demand charge to the transmission and distribution utility or, in the case of a consumer served by a consumer-owned transmission and distribution utility, a nonresidential consumer with a demand of 20 kilowatts or less.

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

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

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

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

SUMMARY

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