

STATE OF MAINE

—
IN THE YEAR OF OUR LORD
TWO THOUSAND AND EIGHTEEN

—
S.P. 628 - L.D. 1729

An Act To Restore Confidence in Utility Billing Systems

Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, this legislation needs to take effect before the expiration of the 90-day period in order to restore confidence in utility billing systems as soon as possible; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. 35-A MRSA §113, sub-§3, as enacted by PL 1987, c. 141, Pt. A, §6, is amended to read:

3. Costs. The full cost of the management audit ~~shall~~ must be recovered from ratepayers, except that if the audit of an investor-owned public utility contributes to a commission finding of imprudence that results in a cost disallowance, the commission shall determine how to fairly allocate the cost of the management audit to ratepayers or the shareholders of the investor-owned public utility. In ordering an audit, the commission shall consider the impact of the cost of the audit upon the ratepayers and other alternatives that are available.

Sec. 2. 35-A MRSA §3104-A is enacted to read:

§3104-A. Metering and billing system accuracy

A transmission and distribution utility shall conduct testing of its metering and billing systems in accordance with rules adopted by the commission.

1. System accuracy; rulemaking. The commission shall amend or adopt rules governing the testing of the metering and billing systems of transmission and distribution

utilities to ensure accuracy regarding the measurement of the usage of electricity and the determination of customer bills. Rules adopted by the commission must include but are not limited to requirements for the following:

- A. The frequency of testing of the metering and billing systems;
- B. The method by which the transmission and distribution utility shall conduct testing of its metering and billing system; and
- C. The statistical analysis to be used as part of the testing procedures.

The commission may adopt alternative testing procedures based on different metering or billing system technologies, such as for analog meters and digital meters.

2. Metering and billing system audits. In adopting rules pursuant to this section, the commission shall consider and may require periodic, independent audits of the metering and billing systems and the commission may determine that such audits are applicable to only residential and small commercial customers of an investor-owned transmission and distribution utility. If the commission requires periodic, independent audits of the metering and billing systems of an investor-owned transmission and distribution utility, the rules must contain at a minimum the following provisions:

- A. The method by which the commission will choose an independent auditor;
- B. The allocation of costs of a periodic metering and billing systems audit; and
- C. The statistical analysis to be used in an audit.

Rules adopted pursuant to this section are major substantive rules as defined in Title 5, chapter 375, subchapter 2-A.

Sec. 3. Report on cost of management audit. The Public Utilities Commission shall submit a report to the joint standing committee of the Legislature having jurisdiction over energy and utilities matters by January 15, 2019 on whether the commission has exercised the authority granted to it in the Maine Revised Statutes, Title 35-A, section 113, subsection 3 to allocate the cost of a management audit to ratepayers or shareholders of an investor-owned public utility. The joint standing committee of the Legislature having jurisdiction over energy and utilities matters may report out a bill to the First Regular Session of the 129th Legislature that amends Title 35-A, section 113, subsection 3.

Sec. 4. Report. The Public Utilities Commission shall submit a report to the joint standing committee of the Legislature having jurisdiction over energy and utilities matters by February 1, 2019 that addresses the following issues:

1. Whether investor-owned transmission and distribution utilities are doing enough to protect and strengthen their systems, especially with what appears to be an increase in high-intensity storm events;
2. Whether it is in the ratepayers' interest to require investor-owned transmission and distribution utilities to do more to strengthen and protect their systems against damage in order to prevent and decrease the number and duration of power outages; and

3. With respect to utility operations, what can be done to improve public safety during storm events and what lessons have been learned from recent outages due to storm events.

In addressing subsection 3, the commission shall consult with the Department of Defense, Veterans and Emergency Management, Maine Emergency Management Agency and review what other states are doing to improve emergency planning and preparedness.

The joint standing committee of the Legislature having jurisdiction over energy and utilities matters may report out a bill to the First Regular Session of the 129th Legislature relating to the matters addressed by the report.

Sec. 5. Audit determinations. In making determinations regarding metering and billing systems audits in accordance with the Maine Revised Statutes, Title 35-A, section 3104-A, subsection 2, the Public Utilities Commission shall consider information learned from the audit of Central Maine Power Company's customer billing system initiated in Public Utilities Commission, Docket No. 2018-00052.

Sec. 6. Rules. The Public Utilities Commission shall provisionally amend or adopt rules by January 11, 2019 in accordance with the Maine Revised Statutes, Title 35-A, section 3104-A.

Sec. 7. Application. Notwithstanding the Maine Revised Statutes, Title 1, section 302, that section of this Act that amends Title 35-A, section 113, subsection 3 applies to a management audit concluded at any time after the effective date of this Act.

Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.