



February 6, 2025

Sen. Mark Lawrence, Chair
Rep. Melanie Sachs, Chair
Joint Standing Committee on Energy, Utilities and Technology
Cross State Office Building, Room 212
Augusta, Maine 04336

Testimony Neither For Nor Against LD 186: An Act to Clarify the Public Utilities Commission's Authority to Establish Time-of-use Pricing for Standard-offer Service

Senator Lawrence, Representative Sachs, Members of the Joint Standing Committee on Energy, Utilities, and Technology, my name is Kathleen Newman, Vice President of Government Affairs for Central Maine Power Company, submitting testimony neither for nor against LD 186, An Act to Clarify the Public Utilities Commission's Authority to Establish Time-of-use Pricing for Standard-offer Service.

In August 2024, the Public Utilities Commission initiated a docket (Docket No. 2024-231) to consider issues raised by the possible development and implementation of time of use ("TOU") standard offer and delivery rates for residential and small business customers of investor-owned utilities. The Commission described TOU rates as offering "the potential, through peak shaving, to lower future supply and delivery rates because they put downward pressure on expensive generation and grid infrastructure investments." These are worthy goals that could be achieved through potentially many different policy approaches.

Issues presented in the docket include: alignment of TOU periods for both delivery and supply; the appropriate ratio between peak and off-peak rates; whether participation should be mandatory, opt-out, or opt-in, the interaction of TOU rates with other rates, including net energy billing participation; potential seasonal rates; and the need for rigorous public education to develop awareness of the potential price impacts before implementation. These issues require careful consideration to ensure that, if implemented, TOU rates don't create unnecessary administrative complexity and don't cause unintended consequences to customers – especially to customers who many not be able to shift usage due to medical needs, work hours, or other non-discretionary lifestyle factors.

CMP takes no position in this testimony on whether new statutory language is necessary to enable the Commission to implement TOU rates. Regardless, CMP supports a rigorous process for determining whether TOU rates are the best option for peak shaving, and if so, how those rates should be designed to achieve that policy goal with least harm and least confusion for customers.

We appreciate your consideration of our position and will do our best to be available at the work session if you have any questions.

Sincerely,

Kathleen Newman
Vice President, Government Affairs