



STATE OF MAINE
PUBLIC UTILITIES COMMISSION

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**Testimony of the Maine Public Utilities Commission
In Support Of**

**LD 1686, An Act to Clarify, Align and Amend Provisions of the Maine Revised
Statutes, Title 35-A**

April 23, 2025

Senator Lawrence, Representative Sachs, and Distinguished Members of the Joint Standing Committee on Energy, Utilities, and Technology (Committee), my name is Deirdre Schneider, testifying in support of LD 1686, An Act to Clarify, Align and Amend Provisions of the Maine Revised Statutes, Title 35-A on behalf of the Public Utilities Commission (Commission).

LD 1686 clarifies, corrects and updates various provisions of Title 35-A.

Section 1 of the bill clarifies the funding sources for activities undertaken by the interconnection ombudsman to be consistent with the changes made in Public Law 2023, chapter 643, Part WWW. When those changes were made, allowing the ombudsman to engage in other activities at the Commission, the corresponding changes in section 107 were overlooked, creating an inconsistency in the law. This change removes that inconsistency.

Section 2 of the bill is an attempt to keep all elements required to be included in the Commission's annual report in the annual report provision of Title 35-A (35-A M.R.S. § 120). It includes a cross-reference to specific reporting requirements related to beneficial electrification.

Section 4 and 5 of the bill are also related to the Commission's annual report. It removes the requirement that the Commission include in its annual report an assessment of the effectiveness of the oxygen pump benefit and the ventilator benefit with respect to covering only those electric charges directly to use of an oxygen pump or ventilator by the program participants. This reporting requirement was a result of an issue that occurred over 10 years ago, whereby an eligible customer was receiving a benefit that exceeded the amount of the customer's entire electric bill. The Commission revised its rules to address this issue by modifying the benefit calculation methodology and prohibiting a benefit from exceeding the customer's total electricity usage.

Public Law 2023, chapter 325 removed the requirement that a consumer-owned water utility receive Commission authorization for the issuance of stocks, bonds and notes; however, many water utility charters, established through Private and Special Law still include language requiring Commission approval. Section 3 of the bill addresses this by specifying notwithstanding any provision of law to the contrary, which includes Private and Special Laws, a consumer-owned water utility does not need Commission authorization to issue stocks, bonds and notes.

Also pursuant to Public Law 2023, chapter 325, a consumer-owned water utility may annually adjust rates by no more than 1.5% of current total annual revenue by simply notifying the Commission, the Office of the Public Advocate and the utility's customers. The language in law should specify that it is 1.5% of current rates not revenue. Section 10 of this bill makes that correction.

Sections 6 through 9 of the bill makes changes relating to the maximum penalty allowable for violations committed by natural gas pipeline utilities and gas utilities in order to align with federal regulations. The Commission is a certified agent for the Pipeline and Hazardous Material Safety Administration (PHMSA), working to ensure that intrastate natural gas transmission and distribution systems comply with federal pipeline safety standards and corresponding state regulations through operator inspections. The Commission investigates natural gas safety incidents and pursues enforcement actions for violations of the federal or state safety regulations. Our current penalty cap is less than the penalty cap in federal law, which jeopardizes the Commission's certification. LD 1686 addresses this by allowing the Commission to adopt by rule the amount of the administrative penalty for violations, not to exceed the administrative penalty established by federal rule.¹

Lastly, Section 11 of the bill aligns the entities required to contribute to the Maine Telecommunications Education Access Fund (MTEAF) with the entities required to contribute to the Maine Universal Service Fund by specifying providers using numbers placed in service in Maine, even if the provider is not providing service in the State are required to contribute to the MTEAF.

I would be happy to answer any questions or provide additional information for the work session.

¹ The maximum penalty for each violation for each day the violation continues in 49 C.F.R. § 190.223 is \$272,926, with a maximum penalty to not exceed \$2,729,245. Maine law currently establishes a maximum daily violation of \$223,000 and a maximum cumulative penalty of \$2,227,000.