132nd Legislature Senate of Maine Senate District 29 Senator Anne Carney 3 State House Station Augusta, ME 04333-0003 Office: (207) 287-1515

Testimony of Senator Anne Carney introducing LD 1949, "An Act Regarding Energy Fairness,"

before the Joint Standing Committee on Energy, Utilities and Technology Thursday, May 15, 2025

Senator Lawrence, Representative Sachs, and esteemed members of the Committee on Energy Utilities and Technology, I am Senator Anne Carney, proudly representing Senate District 29, which includes South Portland, Cape Elizabeth and part of Scarborough. It is a pleasure to be with you today to introduce <u>LD 1949</u>, "An Act Regarding Energy Fairness."

This bipartisan bill will protect customers from high energy bills right now and pave the way to bring more low-cost, clean energy onto the grid in the future. This legislation aims to reduce energy bills and increase the use of clean energy in Maine going forward. I would like to take the opportunity to describe why this bill is important to me, why this bill is important to my constituents and the overarching intent of the bill. I will then speak to the specific policies included and the need for urgent action.

As a legislator, I always evaluate whether my work on a bill will be impactful and who will benefit from that impact. This bill benefits Mainers most vulnerable to high energy costs and most likely to be harmed by disconnections or subjected to exploitative marketing practices by some competitive electricity providers.

As a mother and a grandmother, I worry every day for the kind of future we are leaving our children and future generations. Ensuring that we address climate change and energy costs in a way that protects the most vulnerable Mainers brings me to your committee today.

These are issues that directly affect my constituents. I've heard from Reese, a young woman living in South Portland, who shared how rising utility costs are making it harder for her to stay in her community. Reese doesn't pay a separate electricity bill — her utilities are included in her rent — but when her landlord's energy bills nearly doubled, he raised the rent to cover the cost. That increase landed directly on her. She told us it's not about added value or improvements — it's simply the result of energy prices climbing higher and higher. And she's worried — not just for herself, but for other young people who want to build a future in Maine, as well as those who wish to retire here, but are being priced out. The Energy Fairness Act is a meaningful step toward making sure our energy systems work for everyone — not just those who can afford to keep up.

This common sense, bipartisan bill builds upon the successful experiences of other states in addressing these twin challenges — high electricity prices and harmful fossil fuel emissions — by moving us toward an energy system that works just as well for customers as it does for utility executives.

This bill addresses these twin challenges in seven ways:

1. First, it expands disconnection protections for the most vulnerable customers, for whom a loss of access to electricity would be especially damaging. These protections are closely aligned with protections that exist and work well in Massachusetts to provide life-changing protection for a small group of the most vulnerable people. These protections have been carefully structured to facilitate vulnerable people's access to assistance programs that help lower their overall bills and help them avoid the need for these protections in the future. Electricity is critical for heating homes, cooking food, accessing information, refrigerating medications, and more. I hope we can all agree that electricity is a necessity, **not** a luxury.

The changes in the sponsor's amendment before you broaden the eligibility to include utility-administered assistance programs, instead of just public state or federal programs. However, it also introduces a stricter income-based means test to reduce the total number of people affected to address concerns about bad debt. It also clarifies that current protections for limited medical emergencies should remain.

2. Second, the bill protects customers from being taken advantage of by competitive electricity providers, also known as CEPs. Recent research has shown that since 2016, Maine households served by competitive electricity providers have been charged \$150 million over the standard offer. Customers with lower income are both more likely to be enrolled by CEPs and more likely to be charged higher rates through CEPs. While customer choice is a laudable goal, the system is not working. This winter a friend accepted an 'offer' to receive a \$100 check 'just' for changing to a CEP. She did not understand that her monthly bills would increase by more than \$20 each, totaling more that \$100 in the 6 months she was required to stay with the CEP before receiving the check.

This bill strikes a balance modeled on the proven approach taken by New York state. It would allow CEPs to enroll customers who receive income-based energy assistance only if the PUC is able to verify that those customers would see a rate reduction. The verification requirement maintains customer choice, while also protecting customers from deceptive advertising practices so that scarce customer dollars and public assistance dollars are not squandered. The Sponsor's Amendment you have in front of you would clarify that these verification waivers would be per program offering, not individual customer, thereby reducing the paperwork load.

3. The third policy change builds on great work this committee has already done to strengthen our utility accountability law by limiting what expenses the utility is allowed

to pass on to customers. This legislation would advance your commitment to save customers money and promote fairness.

- 4. The fourth aspect focuses on improving reporting metrics, because we all know that complete, relevant and accurate data is fundamental to this committee's and the Legislature's continuing work to ensure that Maine's utility laws are tailored to have a beneficial impact on Maine people. Taking into account best practice from other states, LD 1949 will require large public utilities to compile and report data on key affordability metrics such as disconnections, participation in assistance programs, enrollment in payment plans and customer debt using a format that is disaggregated by zip code and environmental justice census block groups. Quarterly reports would be filed with the PUC, and an annual summary of the data would be available on a publicly accessible website in a format determined by the Office of the Public Advocate.
- 5. In order to bring new clean, less costly energy onto the grid, the fifth policy in the bill directs the PUC to investigate overhead charges from CMP and Versant that are being passed on to customers during the interconnection process. The aim, consistent with the primary goal of this legislation, is to bring Mainers' electricity bills into a realm where they are truly affordable.
- 6. Sixth, this bill makes sure our registered apprenticeship programs align with federal programs to ensure that Maine continues to train and grow a workforce capable of building the safe and reliable grid we need.
- 7. Finally, following recommendations the Governor's Office of Policy Innovation and the Future made at the request of the Legislature, the seventh policy present in this legislation establishes definitions of environmental justice and requires that the PUC, in executing its powers, consider and incorporate environmental justice principles. This will assist the PUC in ensuring that we're building and regulating the grid in a way that is fair for all.

This committee has been working hard on challenging legislation since January. Please know that your work to make a fairer energy system has never been more urgent. This spring, the entire LIHEAP staff at the federal level was cut, our state is moving to automatic enrollment for LIAP and yet we are not increasing the funds available. The uncertainty in our economy is hitting everyone hard, and Mainers with low income are especially vulnerable. Thank you for embracing the challenges of protecting customers from high energy bills and bringing more low-cost, clean energy onto the grid.

I appreciate your attention and thoughtfulness this morning. I would be happy to answer any questions you may have. Additionally, my testimony will be followed by multiple people who can add additional context and information for each section.

Anne Carney State Senator, District 29

An Act Regarding Energy Fairness

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

PART A

Sec. A-1. 35-A MRSA §704, sub-§1, as amended by PL 1999, c. 398, Pt. A, §18 and affected by §§104 and 105, is further amended to read:

Definitions:

- A. Financial hardship means a customer is either enrolled in a means-tested state or federal assistance program, attests to the utility that their income is less than 60% of the area median, or the commission's consumer assistance division finds that protection from disconnection is needed to protect their life and safety.
- 1. Residential customers. The commission shall adopt and promulgate reasonable rules after a hearing concerning the termination or disconnection of any residential customer's service by a transmission and distribution, gas, water or telephone utility of the State. These rules apply generally to all such utilities within the commission's jurisdiction and must provide for adequate written notice by that utility to the residential customer that the customer's utility bill has not been paid, and a notice of the prospective termination or disconnection and the right, prior to disconnection, to enter into reasonable installment payment arrangements with that utility; to settle any dispute concerning the proposed disconnection at an informal hearing with that utility and to appeal the results of that utility's decision to the commission. The rules must also provide that there may be no termination or disconnection during a limited medical emergency that there may be no termination or disconnection during a limited medical emergency and reasonable procedure regarding reconnections of utility service and deposit requirements. and:
 - A. Provide for adequate written notice by a public utility to a residential customer that the customer's utility bill has not been paid, a notice of the prospective termination or disconnection of utility service and the right of the customer, prior to termination or disconnection, to:
 - (1) Enter into reasonable installment payment arrangements with that utility;
 - (2) Settle any dispute concerning the proposed termination or disconnection at an informal hearing with that utility; and
 - (3) Appeal the results of that utility's decision to the commission;
 - B. Except as provided in paragraph C, prohibit a public utility from terminating or disconnecting a residential customer's utility service for nonpayment if the customer is enrolled in, has begun the process to enroll in or has been denied enrollment in an assistance program administered by the commission or a state agency and the customer attests to the utility that: faces financial hardship and attests to the utility that they have attempted to access any assistance program and:
 - (1) The customer or a member of the customer's household:
 - (a) Is 65 years of age or older;
 - (b) Is a dependent adult as defined in Title 22, section 3472, subsection 6;
 - (c) Is an incapacitated adult as defined in Title 22, section 3472, subsection 10; or
 - (d) -Has been certified by a medical professional or government authority-within the last 12 months as having a medical condition or disability; or

(e)

L.D.

(2) A member of the customer's household-has not attained 12 months of age;

- C. Establish a process by which a public utility may proceed with a disconnection of a residential customer's service that would otherwise be prohibited under paragraph B in exceptional circumstances after the utility has complied with all applicable requirements of this subsection and related rules;
- D. Require a public utility to issue monthly notices to customers who have unpaid amounts for utility services during any period in which the utility is prohibited from disconnecting the customer's utility service in accordance with paragraph B, including the amount owed and a statement describing how the customer may apply for financial assistance; and
- E. Prohibit a public utility from requiring recertification under paragraph B, subparagraph (1), division (c) for a customer more than once per 12-month period.

Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

Sec. A-2. 35-A MRSA §3203, sub-§4-B, ¶A-1 is enacted to read:

- A-1. May not enter into an agreement to provide service to or renew a contract for generation service for a-residential consumers that, in the 12-month period prior to entering into the agreement or renewing a contract, haves received low-income assistance in accordance with section 3214, subsection 2 or 3, unless the commission finds that the residential consumers would receive a lower rate by enrolling in or renewing the contract when compared to the standard-offer service available to thoseat consumers at the time of the enrollment or renewal and issues a waiver to the competitive electricity provider:
- Sec. A-3. 35-A MRSA §3203, sub-§4-B, as amended by PL 2023, c. 636, §1, is further amended by amending the first blocked paragraph to read:

If a residential consumer does not provide the express consent required by paragraphs C, C-1 and D, the residential consumer must be transferred to standard-offer service. If a competitive electricity provider does not receive a waiver from the commission to renew a contract for generation service for a residential consumer in accordance with paragraph A-1, the residential consumer must be transferred to standard-offer service. The commission shall adopt rules to establish a process for the issuance of a waiver under this subsection.

PART B

Sec. B-1. 35-A MRSA §302, sub-§1-A, ¶A-1 is enacted to read:

- A-1. "Compensation" means benefits, a salary or bonus or any other consideration of value.
- H. "Investor relations" means any activity, communication, service, or expense for the purpose of promoting, supporting, or managing the utility's relationship with current or potential investors, shareholders, securities analysts, investment advisors, or financial media, or for the purpose of marketing to enhance the utility's stock price, market perception or investment appeal.
- **Sec. B-2. 35-A MRSA §302, sub-§2,** as amended by PL 2023, c. 596, §§1 and 2, is further amended to read:
- **2.** Limitations on rates. The following expenses, whether paid directly or indirectly, through reimbursement or otherwise, incurred by a public utility or an affiliated interest may not be included or incorporated in operating expenses to be recovered in rates:
 - A. Contributions or gifts to political candidates, political parties, political or legislative committees or any committee or organization working to influence referendum petitions or elections. Nothing in this

paragraph prohibits a consumer-owned water utility, a consumer-owned transmission and distribution utility or the Casco Bay Island Transit District, created by Private and Special Law 1981, chapter 22, from undertaking expenditures related to notifying the public of or conducting trustee elections or local referendum elections directly related to or legally required for the operation of a consumer-owned water utility, consumer-owned transmission and distribution utility or the Casco Bay Island Transit District;

- A-1. Fines and penalties, including, but not limited to, penalties assessed by the commission and tax penalties or fines;
- B. Contributions to a trade association, chamber of commerce or public charity, including, but not limited to, a charity managed by the public utility or affiliated interest. This paragraph does not apply to a consumer-owned water utility;
- C. Expenditures for lobbying or grassroots lobbying, including, but not limited to, compensation for an employee of a public utility or an employee of an affiliated interest if any portion of that compensation is used by the employee for lobbying or paid by that employee to a federal, state or local government official in an effort to influence any official decisions of or legislative decisions by the governmental official. This paragraph does not apply to a consumer-owned water utility, a consumer-owned transmission and distribution utility or the Casco Bay Island Transit District, created by Private and Special Law 1981, chapter 22; and
- D. Educational expenditures, as defined by the commission by rule under section 302-A, unless approved by the commission as serving a public interest. Educational expenditures include expenditures relating to information delivered to the public or to public utility customers by radio, television, the Internet, print and other media or through sponsorships, paid endorsements and public relations campaigns. This paragraph does not apply to a consumer-owned transmission and distribution utility or a consumer-owned water utility.;
- E. Costs associated with travel, lodging and food for officers and members of a public utility's or affiliated interest's board of directors;
- F. Expenditures for investor relations as specified by the commission by rule. -This paragraph does not apply to the preparation or filing of documents that are expressly and exclusively required by applicable federal or state law or by order of a regulatory authority, provided that the document or communication is prepared solely to satisfy such legal or regulatory requirement. This paragraph does not apply to a consumer-owned water utility, a consumer-owned transmission and distribution utility or the Casco Bay Island Transit District, created by Private and Special Law 1981, chapter 22; and
- G. Monthly costs associated with the attendance at, participation in or preparation for appeal of any contested rate case proceeding conducted before the commission that exceed the average monthly costs incurred by the Office of the Public Advocate in the same proceeding multiplied by the number of months in which the utility has expenses up to 150% of the spending by the Office of the Public Advocate in the same proceeding, if the Office of the Public Advocate participated in the proceeding. For the purposes of this paragraph, costs include, but are not limited to, attorney's fees, fees for expert witnesses or consultants, the portion of public utility or affiliated interest employee salaries associated with such attendance at, participation in, preparation for or appeal of a contested proceeding and any other related costs specified by the commission by rule. This paragraph does not apply to a consumer-owned water utility, a consumer-owned transmission and distribution utility or the Casco Bay Island Transit District, created by Private and Special Law 1981, chapter 22.

Sec. B-3. 35-A MRSA §302, sub-§6 is enacted to read:

'n

6. Violations; penalties. A public utility or affiliated interest that violates this section is subject to an administrative penalty in accordance with section 1508-A, except that the amount of the administrative penalty may not be less than the amount of the expense that the public utility or affiliated interest wrongfully included or incorporated in operating expenses to be recovered in rates. Notwithstanding any provision of section 117, subsection 3 to the contrary, the commission may direct the public utility or affiliated interest to use a portion of the administrative penalties owed to the commission for violations of this section for the payment of a rebate to the public utility's customers. If a public utility or affiliated interest wrongfully includes or incorporates in operating expenses to be recovered in rates an expense prohibited by this section, in addition to an administrative penalty described in this subsection, the commission shall order the public utility or affiliated interest to issue a refund to the public utility's or affiliated interest's customers, including interest.

PART C

Sec. C-1. 35-A MRSA §301, sub-§1-B is enacted to read:

- 1-B. Customer hardship reporting. The commission shall adopt rules to require public utilities with over 50,000 customers to file a quarterly docket with the commission containing data as required by this subsection from the previous quarter applicable to residential and nonresidential customers. The commission's rules must establish filing requirements for public utilities with 50,000 or fewer customers that take into consideration the public utility's size and resources. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A. The rules must require that the filing data include:
 - A. The average amount of time between a disconnection of service due to nonpayment and a reconnection;
 - B. The number of disconnections of service due to nonpayment when the customer has previously been disconnected for nonpayment;
 - C. The number of customers that have enrolled in a payment plan that have previously enrolled in a payment plan;
 - D. The number of customers in debt to the utility disaggregated by at least 3 periods of time spent in debt; and
 - E. Any other information as established by the commission by rule, including information already required as of December 31, 2024.

The data required by this subsection must be disaggregated by assistance program enrollment status and data related to disconnections of service must be disaggregated by zip code and environmental justice population statuscensus block groups as defined in section 103-B, subsection 1, paragraph B.

The commission rules must require public utilities with more than 50,000 customers to publish an annual summary report of the data required by this subsection on the utility's publicly accessible website in a format determined by the Office of the Public Advocate. The Office of the Public Advocate shall develop a format for the annual summary report and provide the format to the commission.

Sec. C-2. 35-A MRSA §301-A is enacted to read:

§301-A. Administrative charge limitation

1. "Administrative charge" defined. "Administrative charge" means a fee or charge for services that is added to the actual cost of materials or supplies or labor performed by or on behalf of a public utility with over 50,000 customers and charged to a public utility customer through a proposal, estimate, invoice or final accounting for the cost of interconnection, line extensions or work other than charges for the customer's

תו

regular electricity service. "Administrative charge" includes, but is not limited to, an administrative service charge, an indirect overhead cost and a cost adder. "Administrative charge" does not include:

- A. Expenses for a public utility employee's labor while directly engaged in the work for which a customer is billed; or
- B. Expenses related to the purchase, storage or delivery of materials or supplies incorporated into the work if the customer bill states that those expenses are included in the cost of materials or supplies.
- 2. Administrative charge proceedings. By December 31, 2025 and at least every 5 years thereafter, the commission, within existing resources, shall conduct one or more proceedings to investigate administrative charges demanded or collected by a public utility with over 50,000 customers during the preceding 5-year period to ensure that such administrative charges meet the requirements of section 301 and other applicable provisions of this Title.
- 3. Administrative charge disclosure. The commission shall require a public utility with over 50,000 customers to disclose any administrative charges included in a customer bill. If any line item in a customer bill includes an administrative charge, the customer bill must specifically identify the administrative charge and include a description of the charge.
- 4. Violations. If the commission finds that a public utility with over 50,000 customers has violated any provision of this section or improperly assessed an administrative charge, the commission may order the public utility to refund the administrative charge paid by the customer.
- <u>5. Report.</u> By July 1, 2026 and every 5 years thereafter, the commission shall submit to the Governor and the joint standing committee of the Legislature having jurisdiction over utility matters a report summarizing the proceedings conducted by the commission during the prior calendar year.
- 6. Rules. The commission shall adopt rules to implement this section. Rules adopted by the commission pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.
- **Sec. C-3. 35-A MRSA §3107, sub-§2,** as enacted by PL 2019, c. 88, §1 and reallocated by RR 2019, c. 1, Pt. A, §49, is amended to read:
- 2. Consumer assistance. Require a customer bill issued by an investor-owned transmission and distribution utility to display clearly and prominently the toll-free telephone number for the commission's consumer assistance and safety division and a statement of the consumer assistance services available by calling the division; and
- Sec. C-4. 35-A MRSA §3107, sub-§3, as enacted by PL 2019, c. 88, §1 and reallocated by RR 2019, c. 1, Pt. A, §49, is amended to read:
- 3. Correction of misleading information. Establish a process by which, if the commission finds that an investor-owned transmission and distribution utility has included on customer bills, or inserts or attachments to customer bills, information that is misleading, deceptive or inaccurate, the transmission and distribution utility is required to provide to customers a statement that corrects the misleading, deceptive or inaccurate information that was disseminated. Upon request of the Public Advocate, the commission shall investigate the truth and accuracy of information included on customer bills, or inserts or attachments to customer bills.; and

Sec. C-5. 35-A MRSA §3107, sub-§4 is enacted to read:

4. Public policy charges. Require a customer bill issued by an investor-owned transmission and distribution utility to include an accurate and comprehensive description of the costs and benefits of the components of public policy charges if such charges are included on a customer's bill, including, but not

L.D.

limited to, energy efficiency programs, renewable energy programs and low-income energy assistance programs.

- **Sec. C-6. Summary report; format.** The Office of the Public Advocate shall develop a format to be used by public utilities with more than 50,000 customers when creating annual summary reports as required by the Maine Revised Statutes, Title 35-A, section 301, subsection 1-B and provide the format to the Public Utilities Commission.
- **Sec. C-7. Quarterly docket filing; required data.** The Public Utilities Commission shall adopt rules in accordance with the Maine Revised Statutes, Title 35-A, section 301, subsection 1-B, paragraph D to require a public utility to include in its quarterly docket filing the data required by Public Utilities Commission rule Chapter 815: Consumer Protection Standards for Gas Utilities and Electric Transmission and Distribution Utilities, Section 15.

PART D

- Sec. D-1. 26 MRSA §1304, sub-§1-A, ¶A, as enacted by PL 2021, c. 705, §2, is amended to read:
- A. With a nameplate capacity of 2 megawatts one megawatt or more that involves a renewable energy project or a project for the production of energy, including all phases of site preparation, construction, retrofitting and demolition work; and
- **Sec. D-2. 26 MRSA §1304, sub-§1-A,** as enacted by PL 2021, c. 705, §2, is amended by amending the first blocked paragraph to read:

"Assisted project" does not include a project for which the Public Utilities Commission approved a term sheet or contract or otherwise provided project-specific authorization or approval pursuant to Title 35-A on or before June 29, 2021 or. "Assisted project" includes a project that is participating in net energy billing and that meets the requirements of under Title 35-A, section 3209-A or 3209-B in accordance with a good cause exemption issued on or after June 29, 2025 by the Public Utilities Commission pursuant to Title 35-A, section 3209-A, subsection 7 or Title 35-A, section 3209-B or 9.

- Sec. D-3. 26 MRSA §3501, sub-§4, as enacted by PL 2019, c. 347, §1, is amended to read:
- **4. Generation facility.** "Generation facility" means a facility for the generation of electricity that has an installed capacity of 2 megawatts one megawatt or more, other than a facility located on the customer side of an electric meter.
 - Sec. D-4. 26 MRSA §3502, sub-§1, as enacted by PL 2019, c. 347, §1, is amended to read:
- 1. Percentages. A construction employer shall, to the extent qualified apprentices are determined to be available in accordance with rules adopted by the department, employ a number of apprentices that equals at least: ensure that the following standards are met for the construction, alteration or repair of a generation facility, whether that work is performed by a contractor or subcontractor.
 - A. If construction of the generation facility begins on or after January 1, 2021 and before January 1, 2025, the construction employer shall ensure that at least 10% of all persons employed in the construction; of the generation facility are qualified apprentices.
 - B. If construction of the generation facility begins on or after January 1, 2025 and before January 1, 2027, 17.5% the construction employer shall ensure that at least 15% of all persons employed in the construction; and the total labor hours for the construction, alteration or repair of the generation facility are performed by qualified apprentices.

I D

C. If construction of the generation facility begins on or after January 1, 2027, the construction employer shall ensure that at least 25% of all persons employed in the construction the total labor hours for the construction, alteration or repair of the generation facility are performed by qualified apprentices.

Sec. D-5. 35-A MRSA §103-B is enacted to read:

§103-B. Environmental justice requirements

- 1. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.
 - A. "Environmental justice" means the fair treatment and meaningful involvement of all persons regardless of race, color, national origin, ability, gender identity, sexual orientation, ethnicity or ancestry, religious belief, English language proficiency or income with respect to the development, implementation and enforcement of environmental laws, rules, regulations and policies.
 - B. "Environmental justice population" means any census block group in which:
 - (1) The annual median household income is not more than 80% of the State's annual median household income;
 - (2) Persons of color or indigenous persons comprise 7% or more of the population, but the annual median household income does not exceed 150% of the State's annual median household income; or
 - (3) More than 1% of households are categorized as having limited English proficiency.
 - For a census block group that does not meet the criteria in subparagraphs (1) to (3), but a geographic portion of that census block group meets at least one criterion, the commission may designate by rule that geographic portion as an environmental justice population upon the petition of at least 10 residents of that geographic portion meeting any such criteria.
 - C. "Environmental justice principles" means principles that support protection from environmental pollution and the ability to live in and enjoy a clean and healthy environment, regardless of race, color, national origin, class, ability, gender identity, sexual orientation, ethnicity or ancestry, religious belief, English language proficiency or income, which include:
 - (1) The meaningful involvement of environmental justice populations with respect to the development, implementation and enforcement of environmental laws, rules, regulations and policies; and
 - (2) The equitable distribution of energy, health, economic and environmental benefits and energy, health, economic and environmental burdens.
- <u>2. Commission responsibility.</u> In executing its duties, powers and regulatory functions under this Title, the commission, while ensuring system reliability and resource adequacy, shall consider and incorporate environmental justice principles.
- 3. Community engagement plan. On or before April 1, 2026 and within existing resources, the commission shall establish a community engagement plan.
- 4. Rules. The commission may adopt rules to implement this section. Rules adopted by the commission pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.
- Sec. D-6. Public Utilities Commission proceeding; cost management proceeding. By December 31, 2025, the Public Utilities Commission shall initiate a proceeding to examine and evaluate optin program designs pursuant to the Maine Revised Statutes, Title 35-A, section 3209-E, subsection 2, paragraph A. By February 2, 2026, the commission shall provide a report to the Joint Standing Committee

L.D.

on Energy, Utilities and Technology regarding the results of the proceeding and the commission's recommendations. The committee may report out a bill to the Second Regular Session of the 132nd Legislature related to the commission's report.

Sec. D-7. Department of Labor rules; assisted projects; consistency with federal law. By December 1, 2025, the Department of Labor shall initiate rulemaking to amend its rules applicable to assisted projects as defined in the Maine Revised Statutes, Title 26, section 1304, subsection 1-A and generation facilities as defined in Title 26, section 3501, subsection 4 for consistency with the changes provided in this Part. The department shall also review its rules related to assisted projects, and initiate rulemaking to adopt changes if necessary, to ensure that those rules are substantially consistent with the federal Inflation Reduction Act of 2022 and rules adopted under that Act.

SUMMARY

Part A of the bill requires the Public Utilities Commission to adopt rules prohibiting the disconnection of utility services of a residential customer for nonpayment if the residential customer meets the definition of financial hardship, attests that the customer has attempted to access any assistance program, and attests to the utility that the customer or a member of the customer's household is 65 years of age or older, is incapacitated or dependent or has been certified as having a medical condition or disability by a medical professional or government authority. It also prohibits disconnections if a member of the customer's household has not attained 12 months of age. The commission is required to adopt a process by which a public utility may petition the commission to proceed with a disconnection of a residential customer's service that would otherwise be prohibited. Part A also prohibits a competitive electricity provider from entering into an agreement to provide service to or renew a contract for generation service for a residential consumer that, in the 12-month period prior to entering into the agreement or renewing a contract, has received low-income assistance unless the commission finds that the consumer would receive a lower rate by enrolling in or renewing the contract when compared to the standard-offer service available to that consumer.

Part B prohibits certain expenses from being included in a public utility's rates, including fines and penalties, costs associated with travel, lodging and food for officers and members of a public utility's or affiliated interest's board of directors, expenditures for investor relations and certain costs associated with the attendance at, participation in, preparation for or appeal of any contested rate case proceeding conducted before the commission. If a public utility includes any prohibited expenses in rates, it is subject to administrative penalties and the commission may direct the utility to use a portion of the administrative penalties owed for the payment of a rebate to the public utility's customers. In addition to an administrative penalty, the commission is required to order the public utility to issue a refund to the public utility's customers, including interest.

Part C requires the commission to adopt rules to require public utilities with over 50,000 customers to file a quarterly docket with the commission containing data from the previous quarter applicable to residential and nonresidential customers. The rules must require that the filing data include information regarding customer overdue accounts, disconnections, reconnections, deposits and payment plans. Part C also requires the commission, within existing resources, to conduct a proceeding at least once every 5 years to review administrative charges collected by a public utility with over 50,000 customers during the preceding 5-year period to ensure that such administrative charges are in compliance with applicable law.

Part D amends the definition of "assisted project" in the Maine Revised Statutes, Title 26, section 1304, subsection 1-A to lower the size threshold of a project to which the definition applies. It requires that certain percentages of total labor hours of the construction, alteration or repair of a generation facility are performed

by qualified apprentices. Part D also requires the Public Utilities Commission, in executing its duties, powers and regulatory functions under Title 35-A, while ensuring system reliability and resource adequacy, to consider and incorporate environmental justice principles. It requires the commission, on or before April 1, 2026 and within existing resources, to establish a community engagement plan.