State of Maine
Office of the Public Advocate
112 State House Station, Augusta, Maine 04333-0112
(207) 624-3687 (voice) 711 (TTY) www.Maine.gov/meopa

Janet T. Mills
GOVERNOR

Barry J. Hobbins
PUBLIC ADVOCATE

February 23, 2021

Chairman Lawrence, Chairman Berry and Members of the Energy, Utilities and Technology Committee,

The Office of the Public Advocate ("OPA") testifies neither for nor against LD 251 "An Act Regarding Public Utility Assessments, Fees and Penalties" which would require the Public Utilities Commission ("PUC") to report annually to this committee on any utility-related fees and penalties that have not been adjusted in the previous 5 years and submit legislation to adjust each utility-related fee or penalty based on the Consumer Price Index. This bill mirrors legislation of LD 1881 as amended by the Committee which was not acted by the legislature because the legislation adjourned due COVID-19 pandemic. The PUC would also be required to submit legislation to the First Regular Session of the 130th Legislature adjusting all fees and penalties paid by public utilities based on the actuarially compounded Consumer Price Index for each fee or penalty since enactment.

Additionally, LD 251 requires the PUC and the OPA, beginning in 2022, to annually review their expenses relating to all consumer-owned public utilities ("COU's") and all investor-owned public utilities ("IOU'S") over the past year, determine the average regulatory cost per customer per year for COU's and IOU'S in each utility industry and amend their rules or introduce legislation to address a significant discrepancy in the average regulatory costs.

The OPA does not have an objection to the collecting and reporting of the information referenced in this bill. The OPA does not presently track all this information currently except for water utilities, which were split 80/20% (IOU's/COU's) for our Fiscal Year 2021 Assessments. Any implementation would need to reflect a start date for collection. The fiscal year for the OPA is July 1 to June 30 with the Annual Report due on September 1, so clarification as to the beginning of tracking this information would need to be made and clearly stated.

The OPA does not issue rules so any reference to its possible issuance of a rule should be deleted.

LD 251 only appears to contemplate a change in law if the relative cost of regulating COU's is higher than that of IOU's. It is unclear to the OPA which would be higher nor is it clear why 50% is the appropriate trigger. The OPA suggests that they institute the reporting of the information and any party interested in doing so can propose a change in the law.

Thank you for your time, attention and consideration of this testimony. The Office of the Public Advocate looks forward to working with the Committee on LD 251, and will be present at the work session to assist the Committee in its consideration of this bill.

Respectfully submitted,

Barry J. Hobbins, Public Advocate