

### An Act To Protect Maine Electricity Customers from Threats of Disconnection in the Wintertime

## NFNA



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

Hobbins

Janet T. Mills GOVERNOR

Barry J.

PUBLIC ADVOCATE

### April 13, 2021

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

My name is Barry Hobbins and I am the Public Advocate with the Office of the Public Advocate and I am here today to testify neither for nor against LD 1328 "An Act To Protect Maine Electricity Customers from Threats of Disconnection in the Wintertime."

The OPA understands that disconnect notices cause anxiety and stress in the recipient. However, the PUC has a very thorough customer notice process that utilities must follow prior to sending the disconnect notice and that they must follow to disconnect a premise.

Preventing disconnect notices may lead to more customers delaying paying their electric bills over the winter months as they feel there are no consequences for inaction. This puts customers in a very difficult spot of having large unpaid balances come April 15<sup>th</sup>, likely too large to pay off at once or large enough to make payment arrangements beyond their monthly means. The disconnect notice is a tool. A scary one for the customer but one that forces them to speak to the utility. It starts a conversation about payment arrangements and electricity usage. Unpaid arrearages are on the rise, especially during COVID. The point to weigh here is – does the committee think it better to prevent customer notice of a potential disconnection to minimize stress but allow their arrearage to grow to an untenable amount? Or is it possible to make modifications to the current winter

1

# LD 1328

#### An Act To Protect Maine Electricity Customers from Threats of Disconnection in the Wintertime

## NFNA

disconnect process and notice requirements described in Ch 815 of PUC rule to soften the messaging to address Representative Berry's concern while still keeping this tool available as a last resort?

Sadly, unpaid balances are a real problem in the winter months as people struggle to balance heating costs and other household expenses with their regular utility bills. The current notice does state that disconnection is only possible if the PUC grants permission. Is this enough? CMP's disconnect notices were recently revamped to ensure that access to resources like HEAP and AMP are prominently stated. Debt accumulation impacts all customers and this bill may have the unintended consequence of more disconnections in the spring due to high unpaid balances that are too great to pay off.

To address some of these concerns, the Office of the Public Advocate would suggest a conversation during the work session about the current Chapter 815 rule and see if this is something that can be addressed through rulemaking and not in statute. Is there a way to keep this tool available as a last resort? Maybe a required second or third past due notice from the utility before allowing them to start sending disconnect notices? While it seems clear on its face that the OPA should support this, the solution may not be that simple. I fear that this will put people in a worse position come April 15<sup>th</sup>.

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 1328, and will be present at the work session to assist the Committee in its consideration of this bill.

Respectfully submitted,

Bang Howing



An Act To Protect Maine Electricity Customers from Threats of Disconnection in the Wintertime



Barry J. Hobbins Public Advocate