

## 127th MAINE LEGISLATURE

### **SECOND REGULAR SESSION-2016**

**Legislative Document** 

No. 1558

H.P. 1061

House of Representatives, January 14, 2016

An Act To Make Efficient Electric Heat Pumps Available to Utility Customers, Including Low-income Customers

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Reference to the Committee on Energy, Utilities and Technology suggested and ordered printed.

ROBERT B. HUNT
Clerk

Presented by Representative GROHMAN of Biddeford.
Cosponsored by Senator WOODSOME of York and
Representatives: BROOKS of Lewiston, CHAPMAN of Brooksville, DeCHANT of Bath,
DEVIN of Newcastle, DUNPHY of Embden, EVANGELOS of Friendship, FREDETTE of
Newport, SAUCIER of Presque Isle.

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

#### Sec. 1. 35-A MRSA §3105 is enacted to read:

#### §3105. Heat pump program

Notwithstanding any other provision of law, a transmission and distribution utility may develop and implement, upon approval of the commission, a program within its service territory to assist low-income customers and other customers who need assistance in obtaining the benefits of efficient electric heat pumps as set forth in this section and may advertise the availability of its program to its customers.

1. Approval; activities of the utility. A transmission and distribution utility must submit a proposed program to the commission for approval. The commission shall examine the proposed program and, if it finds the proposed program is reasonably designed and consistent with the provisions and program elements of this section, shall approve the program. All activities of a transmission and distribution utility under an approved program must be considered regulated activities of the utility subject to commission regulation as a utility service, notwithstanding any provision of law otherwise limiting the amount of investment or revenue a utility may make or receive in a business venture separate from the delivery of electricity. Recovery of all reasonable and prudent costs associated with the program must be through customers participating in the program and may not be passed through to customers not participating in the program.

# **2. Program elements.** A program under this section must include the following program elements:

- A. A transmission and distribution utility may, through a qualified heat pump installer selected by a customer participating in the program, provide an efficient electric heat pump to a customer within its service territory who, for purposes of this paragraph, is unable to purchase and install a heat pump due to income or other reasons. The utility may own the heat pump provided to a customer participating in the program and may charge the customer for the costs associated with providing the heat pump and the customer must be provided an option to later buy the heat pump provided on reasonable terms approved by the commission. If the customer is delinquent in payments under the program, the utility may undertake reasonable debt collection activities as approved by the commission and otherwise consistent with applicable law, but in no event may the customer's electric service be disconnected as a result of the customer's delinquency under the program;
- B. The overall energy costs to customers under the program must decrease as a result of participation in the program, as measured by the overall energy costs of customers over the lifespan of the heat pumps, regardless of the source of energy, and the costs associated with participation in the program; and
- C. A transmission and distribution utility may offer incentives to customers participating in the program to acquire efficient electric heat pumps to be used to reduce the total installation cost of such heat pumps.

3. Utility to provide information. A transmission and distribution utility that implements a program under this section shall, upon request from the commission, provide sufficient information to demonstrate that the program is meeting the requirements of this section.

Nothing in this section is intended to limit the authority of the commission to establish electric distribution rates for customers participating in a program under this section.

**Sec. 2. PL 2011, c. 637, §11,** as amended by PL 2013, c. 369, Pt. G, §§1 and 2, is repealed.

10 SUMMARY

 This bill allows transmission and distribution utilities to implement programs to provide efficient electric heat pumps to customers who are unable to purchase and install heat pumps due to income or other reasons. The program's design and operation is subject to review and regulation by the Public Utilities Commission and may include rates for customers participating in the program to cover program costs, which costs may be paid only by customers participating in the program, and the program must offer customer choice of qualified 3rd-party installers. It also repeals the provision of law that allowed transmission and distribution utilities to develop and implement pilot programs to provide efficient electric heating systems to customers.