# STATE OF MAINE PUBLIC UTILITIES COMMISSION

Docket No. 2022-00301

November 28, 2022

MAINE POWER LLC Request for Recovery of Increased Costs RETAIL ENERGY SUPPLY ASSOCIATION PETITION TO INTERVENE

Pursuant to Section 8(B) of the Public Utilities Commission's Rules of Practice and Procedure,<sup>1</sup> the Retail Energy Supply Association ("RESA")<sup>2</sup> hereby petitions to intervene as a party in the above-captioned proceeding. In support of this petition, RESA states the following:

#### INTRODUCTION

- 1. On September 26, 2022, a current supplier of certain standard offer service in the State of Maine (Maine Power LLC ("ME Power")), filed a request for partial recovery of increased costs as a result of a cost-of-service agreement for the Mystic Generation Station ("Mystic COS Agreement").<sup>3</sup>
- 2. According to the request, costs under the Mystic COS Agreement have unexpectedly increased due to the war in Ukraine and its effects on global energy prices resulting in a material increase in ME Power's net costs to provide standard offer service to the large customer classes in the service territories of Central Maine Power Company and Versant Power Bangor Hydro District.<sup>4</sup>

<sup>&</sup>lt;sup>1</sup> 65-407 C.M.R. Ch. 110, § 8(B).

<sup>&</sup>lt;sup>2</sup> The comments expressed in this filing represent the position of the Retail Energy Supply Association (RESA) as an organization but may not represent the views of any particular member of the Association. Founded in 1990, RESA is a broad and diverse group of retail energy suppliers dedicated to promoting efficient, sustainable and customer-oriented competitive retail energy markets. RESA members operate throughout the United States delivering value-added electricity and natural gas service at retail to residential, commercial and industrial energy customers. More information on RESA can be found at <a href="https://www.resausa.org">www.resausa.org</a>.

<sup>&</sup>lt;sup>3</sup> See Docket No. 2021-00073, Commission Initiated Standard Offer Bidding Procedure Pertaining to Central Maine Power Company and Versant Power, Increased Costs Associated with ISO-New England Reliability Program Request (Sep. 26, 2022).

<sup>&</sup>lt;sup>4</sup> *Id*. at 2.

- 3. On October 24, 2022, the Maine Public Utilities Commission ("Commission") offered interested parties an opportunity to file petitions to intervene in this proceeding.<sup>5</sup>
  - 4. Through this filing, RESA now timely petitions to intervene in the proceeding.

#### **STANDARD**

- 5. "[A]ny person that is or may be . . . substantially and directly affected by the proceeding . . . shall be allowed to intervene as a party to the proceeding."
- 6. In addition, the Commission may, in its discretion, allow any interested person to intervene and participate as a party in a proceeding.<sup>7</sup>

### **INTERVENTION REQUEST**

- 7. In this proceeding, the Commission will determine whether ME Power is permitted to recover certain additional costs allegedly incurred by it in providing standard offer service.<sup>8</sup>
- 8. The pricing of standard offer service has a direct and substantial effect on the competitive retail energy market. In fact, the Commission previously found that the purpose and design of standard offer service should be tailored to reflect the nature of the competitive market. In particular:

In market sectors where retail suppliers are providing options and reasonable prices for customers, standard offer service should not be "just another supply option," but should serve as a last resort or contingency service. By its design, standard offer service in these sectors should encourage and sustain customer out-migration to the retail market. Standard offer prices should closely track

<sup>&</sup>lt;sup>5</sup> Notice of Proceeding, Opportunity for Intervention, and Scheduling Case Conference (Oct. 24, 2022) ("Notice"), at 4.

<sup>&</sup>lt;sup>6</sup> 65-407 C.M.R. Ch. 110, § 8(B)(1).

<sup>&</sup>lt;sup>7</sup> 65-407 C.M.R. Ch. 110, § 8(B)(2).

<sup>&</sup>lt;sup>8</sup> Notice, at 1 ("Maine Power requests that the Commission authorize it to recover a portion of its increased costs through the utilities, that is, from ratepayers, under bidder conditions associated with Maine Power's winning bids to serve such customers.").

<sup>&</sup>lt;sup>9</sup> Standard Offer Study and Recommendations Regarding Service after March 1, 2005, Maine PUC, December 1, 2002 ("2002 Report"), at 4.

changes in the wholesale market, and other features of its design, such as treatment of customer credit, should parallel the market as much as possible.<sup>10</sup>

- 9. RESA is a non-profit organization and trade association that represents the interests of its members in regulatory proceedings in the Mid-Atlantic, Great Lakes, New York, and New England regions. RESA members are active participants in the retail competitive markets for electricity, including the Maine retail electric market.
- are presently providing electric supply service to Maine customers. As such, RESA and its members have a substantial and specific interest in ensuring that this investigation considers how the requested changes to the pricing of standard offer service will impact their current interests and the continued development of retail competitive markets in Maine. Specifically, RESA has an interest in ensuring that ME Power's requested cost recovery does not negatively impact the Maine retail energy markets, RESA members or their customers, by, *inter alia*, failing to properly capture the actual cost of providing standard offer service.
- 11. Because of the diversity of its members, RESA has unique perspectives that no other participant to this proceeding can replicate. These perspectives will aid the Commission in its investigation. No other party to this proceeding can replicate the breadth of knowledge and viewpoints RESA can provide to the Commission in this proceeding.
- 12. In addition, RESA's participation as a party in this docket conserves resources for the Commission and other participants that might otherwise have to respond to participation by multiple individual RESA member companies seeking to protect their own interests.<sup>11</sup>

<sup>&</sup>lt;sup>10</sup> 2002 Report, at 4.

<sup>&</sup>lt;sup>11</sup> Cf. 65-407 C.M.R. Ch. 110, § 8(B)(5) ("Where appropriate, the Commission or presiding officer may require consolidation of discovery, presentation of evidence and argument by members of a class entitled to intervene . . . or by persons allowed to intervene . . . .").

13. RESA has not yet determined the full extent of its participation and reserves the right to fully participate in this proceeding including, without limitation, through motion practice, discovery, testimony, direct and cross-examination, comments, and briefs.

## **CONCLUSION**

For all the foregoing reasons, the Commission should grant RESA's petition to intervene as a party in this proceeding.

Respectfully Submitted, RETAIL ENERGY SUPPLY ASSOCIATION

Earl W. Phillips, Jr. Robinson & Cole LLP 280 Trumbull Street Hartford, CT 06103

Phone: (860) 275-8200 Fax: (860) 275-8299 E-mail: ephillips@rc.com

Its Attorneys