



Date: January 9, 2026

Maine Public Utilities Commission
26 Katherine Drive
Hallowell, ME 04347

Re: Docket No. 2025-00176, Request for Comments on the Requirements of P.L.2025, ch. 196

To Whom it May Concern,

On behalf of Northeast Energy Efficiency Partnerships (NEEP),¹ we are pleased to submit comments relative to the Public Utilities Commission's Investigation of Time of Use Rates for Delivery and Standard Offer Service for Investor-Owned Transmission and Distribution Utilities ([Docket No. 2025-00176](#)). NEEP is a non-profit whose mission is to accelerate regional collaboration to promote advanced energy efficiency and related solutions in homes, buildings, industry, and communities. NEEP recognizes the importance of rate design as one of the [crucial ways to address energy affordability](#) as many states strive to keep energy costs affordable for customers. Rate design is one of many tools to address affordability concerns and align customer and grid costs.

NEEP supports the proposal to implement default time of use (TOU) rates. Default or opt-out rates result in much higher customer participation and impact on implementation. Opt-out rates paired with strong consumer outreach, protection of vulnerable customers, and complemented by robust energy efficiency programs can benefit the grid and lower customer bills. NEEP appreciates the opportunity to provide input on ways to avoid negative impacts on residents who rely on medical devices or have a medical condition, residents who are senior citizens, and residents who are economically vulnerable.

We thank the Commission for the opportunity to provide input on this rate design investigation. The following comments are intended to provide technical assistance and resources relating to rate design. In addition to the recommendations below, NEEP has tools and resources available and can offer direct technical assistance. We also most recently published a [report](#) which explores the issues outlined in this comment in more detail.

Identifying Customers with Health Vulnerabilities

The Commission identifies two customer groups with health vulnerabilities that may experience negative impacts of TOU rates: 1) residential customers who rely on life support systems and 2) residential customers who receive assistance from the State due to a medical condition and are participants in Central Maine Power's Electricity Lifeline Program or Versant Power's LifeLight Program or successor programs. NEEP supports exempting these customers and encourages the Commission and utilities to coordinate with other state agencies and identify existing programs that serve these customers to proactively identify and exempt them. In

¹ These comments are offered by NEEP staff and do not necessarily represent the view of the NEEP Board of Directors, sponsors, or partners. NEEP is a 501 (c)(3) non-profit organization that does not lobby or litigate.



addition to identifying customers through existing programs, AMI data could also be an avenue to identify customers with [durable medical equipment](#), as the use of this equipment can lead to constant high energy usage.

Considerations for Identifying and Exempting Senior Citizens

[At 22.9%](#), Maine has the highest percentage of population aged 65 and older of any state in the country. Seniors (persons over 65) are not an inherently vulnerable group when considering potential downsides of an opt-out TOU rate. In approving the pilot TOU rates, the [California Public Utilities Commission](#) (CPUC) required utilities to study a variety of metrics. This included economic and health outcomes for customers, which led to a study on seniors in high-heat areas. The research found that TOU customers over 65 in high-heat areas did not experience an increased number of health-related events or economic hardship because of the TOU rate. Additionally, those over 65 on TOU rates were significantly more likely to shift their load as they did not experience some of the typical barriers to load shifting (such as working from home, the presence of children, or home becoming uncomfortable). While California is a warmer state, this research can apply to other areas that experience [extreme temperatures](#), such as Maine.

NEEP suggests that seniors are not categorically excluded from any initial opt-out TOU enrollment as they could benefit from TOU rates. We recommend that specific marketing, outreach, and implementation strategies be developed to target seniors to raise awareness in advance of any new rate rollout. Additionally, we recommend that the Commission look to protect any seniors that may be more vulnerable to bill increases from TOU rates, such as those that are on a fixed income (i.e., social security) and those that may use durable medical equipment or are on a fixed income

Considerations for Identifying and Exempting Economically Vulnerable Customers

Economically vulnerable customers may not experience negative consequences from TOU rates. While there are certain groups that might not be able to participate in the program due to having small children at home or irregular working schedules, a [study of PG&E's](#) implementation of opt out TOU rates showed that low-income customers would not experience bill impacts from opt-out TOU rates, even without changing their behavior. It will be important to consider this when defining economically vulnerable customers as categorically excluding all economically vulnerable customers could result in those customers missing out on the benefits of TOU rates. Additionally, to ensure protection of economically vulnerable customers that are enrolled, the Commission can implement billing protections. This will provide low-income customers an opportunity to enroll in the TOU rate and ensure their bills remain consistent. If the Commission excludes economically vulnerable customers from an opt-out TOU rate rollout, the Commission could identify certain subsets of customers that need special consideration when it comes to TOU rates. NEEP offers recommendations on both pathways below.



Defining and Identifying Economically Vulnerable Customers

The Commission can use multiple methods to identify economically vulnerable customers. Some methods are outlined below.

- **Cross-referencing with the new discount rate program automatic enrollment:** Maine [recently reconfigured](#) the LIAP program to be a monthly discount rate with automatic enrollment. Customers are automatically enrolled in the discount rate based on income verification by the Department of Health and Human Services (DHHS).
- **Customers with chronic late bill payment and/or chronic disconnection:** Utilities have existing data that could be used to identify customers who struggle with chronic late bill payment and/or chronic disconnection. These customers may be particularly vulnerable to a change in bill structure. These customers can be offered hold-harmless and/or an opt-in TOU rate structure instead of an opt-out TOU rate structure.
- **Using Advanced Metering Infrastructure (AMI) data:** Both CMP and Versant have almost universal AMI coverage in their territories. AMI data is a potentially rich source of information for identifying different vulnerable customer groups. As it can be used to identify customers who exhibit energy limiting behavior, customers with irregular work schedules, and high usage customers.
 - [Energy-limiting behavior](#) includes actions where the customer self-imposes constraints on their energy use, even when it may be harmful to their health, to avoid prohibitive costs. NEEP suggests this group be excluded from an initial opt-out TOU rollout and instead be offered and opt-in TOU rate or hold-harmless billing. To provide the customers with the opportunity to learn about the program and verify it will result in energy savings.
 - [Customers with irregular work schedules](#) may be affected differently than the average customer by TOU rates depending on their work schedule, use patterns, and TOU rate structure. Further research into customers with irregular work schedules is needed to evaluate potential impacts of TOU rates on this group.
 - High Usage Customers can see their bills increase because of TOU rates. The Commission can use energy usage data obtained through AMI as a jumping off point to identify high usage customers, who may also use medical equipment. It is important to further study the impact TOU rates might have on these customers before enrolling them in TOU rates to ensure bills do not go up. Additionally, these customers can also be targeted for efficiency programs to help reduce usage prior to enrollment, such as Vermont's [Targeted High Use \(THU\) program](#).

Measures to Avoid Negative Impacts on Economically Vulnerable Customers

Economically vulnerable customers may not experience negative consequences from TOU rates. As highlighted, PG&E found no negative consequences. Additionally, Massachusetts has issued a straw proposal that plans to enroll low-income customers but couple enrollment with bill protections to ensure equal access to the benefits



TOU rates could provide through lowering bills. Below are some potential bill protection mechanisms that the Commission could implement as part of an opt-out time of use rate:

- **Price stabilization:** Utilities can offer price stabilization, also called price guarantee or bill protection, to low-income customers who switch to TOU rates. Price stabilization guarantees that customers do not pay above a certain dollar amount for a specified initial period. The [Opinion Dynamics study](#) looked at opt-out examples from California that used price stabilization for the first year of TOU rates usage. They recommended using price stabilization for the first year or two of a program. The [MA IRWG](#) suggested an initial one-year period of price stabilization. California included bill stabilization as a priority when they implemented their [offer default TOU rates](#). When the IOUs started implementation, they offered twelve months of bill protection to customers who were moved to the new default TOU rate.
- **Hold harmless billing:** [Under this mechanism](#), customers are enrolled in both the standard two-part rate and the TOU rate. They are billed at whichever of the two rates provides a lower bill each month. A key difference between this structure and the others described above is that it would be an ongoing format instead of just during the initial rate roll-out.

Educational Materials for Economically Vulnerable Customers

If the Commission does choose to cast a wider net on economically vulnerable customers, there are additional educational materials that they can encourage customers to enrollment and provide information on the program. It is important to connect economically vulnerable customers to programs that can help them lower their energy bills and energy usage. Currently Mainers can enroll in the [Low Income Assistance Program](#) (LIAP), the [Electricity Lifeline Program](#) (ELP), the Home Energy Assistance Program (HEAP), the Oxygen Pump/Ventilator Assistance Program, and the Arrearage Management Program. Below is a list of additional programs the Commission could consider in its TOU implementation:

- **Shadow billing:** [Shadow billing](#), refers to the idea of showing customers what their bill would be if they were using TOU rates before transitioning them to a TOU rate plan. Examples of shadow billing include [Central Maine Power's](#) Heat Pump Calculator and [Groton, MA's](#) Time Varying Rates Pilot Program.
- **Percentage of Income Payment Plans (PIPPs)** – PIPPs limit energy costs based on customer income and help alleviate financial stress for low-income customers who are energy burdened. PIPPs could provide a framework for initial bill stabilization as energy-burdened customers switch over to TOU rates or could provide a longer-term maximum cap for monthly bills. [Central Maine Power did offer a PIPP at one point but does not at this time.](#)
- **Discount Rates** – [Discount rates](#) provide discounts on electricity rates based on income. These can be flat percentage discounts for all customers that are income-eligible or tiered discounts based on income levels. Both the tiered and flat versions of the discount rate reduce the total utility bill as opposed to PIPPs, which limit individual customer spending. The Commission [recently reconfigured](#) the state LIAP program to be a discount rate.



Considerations if the Commission were to Adopt Opt-In TOU Rates

It is important to consider that opt-out rates result in much higher customer participation, as found in a report from the [Lawrence Berkeley National Laboratory](#) (in one case, 13 percent for opt-in, 74 percent for opt-out). The benefit of an opt-in system is that only those customers who want to participate in the rate structure will do so, and vulnerable customers could self-select not to participate. However, the low participation rate in the opt-in rate structure may not align with the state's electricity usage reduction goals. Implementing TOU as a default (i.e., opt-out) rate with a robust educational campaign will ensure high levels of participation and grid-level impact. NEEP supports the use of opt-out TOU rates paired with strong consumer outreach, protection of vulnerable customers, and complemented by robust energy efficiency programs. This is the best practice to ensure that the rate can lead to large-scale changes in electricity usage patterns and consumer behaviors. This is crucial to generating system-wide benefits because it ensures a high rate of customer adoption, which is needed to reduce statewide system peaks and drive significant cost reductions.

Conclusion

Overall, this investigation shows the Commission's commitment to modernize ratemaking that aligns the goals of energy efficiency, electrification, and peak demand reduction, unlocking opportunities to lower bills and system costs. These comments are intended to support the work currently underway by the Commission and we appreciate the opportunity to provide input. In addition to the comments, NEEP is available to provide technical assistance and assist the Commission in rate design best practices that accurately reflect electric system costs while promoting customer affordability, energy savings, and load shifting as Maine continues to pursue [strong climate and energy goals](#). For additional insight into these recommendations please review our most recent [report](#). Additionally, we are available for technical assistance as the Commission continues this investigation.

Sincerely,

A handwritten signature in black ink that reads "Erin Cosgrove".

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