STATE OF MAINE
PUBLIC UTILITIES COMMISSION Docket No. 97-590

March 17, 1998

PUBLIC UTILITIES COMMISSION NOTICE OF INQUIRY
Inquiry into Standard Consumer
Protection Provisions and
Licensing Requirements for
Competitive Electricity Providers

WELCH, Chairman; NUGENT and HUNT, Commissioners

I. SUMMARY

In this Notice, we initiate an inquiry to obtain information on licensing provisions and standard consumer protections that should apply to competitive electricity providers.

II BACKGROUND

On May 29, 1997, Governor Angus King, Jr. signed into law "An Act to Restructure the State's Electric Industry" (Act). P.L. 1997, ch. 316.[1] The Act deregulates electric generation services and allows for retail competition to begin on March 1, 2000. At that time, Maine's electricity consumers will be able to choose a competitive provider of generation services. In enacting the legislation, the Legislature recognized the importance of establishing customer protections for a new market in which consumers have had no experience. Section 3203 contains the consumer protection provisions. The section requires the Commission to license competitive electricity providers, and establishes certain minimum filing and information disclosure requirements and specific consumer protection standards. In addition, the Commission is required to adopt, by rule, "...consumer protection standards and standards to protect and promote market competition in order to protect retail consumers of electricity from fraud and other unfair and deceptive business practices." 35-A M.R.S.A. § 3203(6). The Commission must also adopt rules to set the term of any license, and the procedures and requirements for license renewal and revocation. Additionally, the section authorizes a variety of enforcement options, including penalties, cease and desist orders, restitution, enforcement in the Superior Court, and notification to the Attorney General of any violation of the law that may result in criminal penalties or which would fall under the

---

[1]The Act is codified as Chapter 32 of Title 35-A (35-A M.R.S.A. §§ 3201-3217).

antitrust laws. A copy of Section 3203 is attached to this Notice.

The purpose of this Notice is to obtain comments from interested persons on a comprehensive rule governing licensing and consumer protections. While it is our intent to promote a vibrant competitive market for the sale of electricity and related services, we acknowledge our duty to prevent fraud and unfair trade practices, and to ensure customers that licensed providers have the requisite financial and technical capacity to provide service.

III. ISSUES FOR COMMENT

We invite interested persons to comment on the following issues, and on any additional issues the Commission should address in this proceeding.

A. Licensing

1. Entities subject to the licensing requirement

The Act requires competitive electricity providers to be licensed before selling electricity at retail in Maine. 35-A M.R.S.A. § 3203(1)(2). The term "competitive electricity provider" is defined as a "marketer, broker, aggregator or any other entity selling electricity to the public at retail." 35-A M.R.S.A. § 3201(5). The terms "aggregator," "broker" and "marketer" are also defined in the Act.

a. The operative activity that triggers the licensing requirement appears to be the "sale of electricity at retail." Under this interpretation, merely marketing or advertising would not trigger the licensing requirement as long as the advertising or marketing did not include an offer to sell electricity; this would allow many community organizations and affinity groups to promote a particular supplier to its members without triggering the licensing requirement (as long as, of course, the supplier is licensed). Please comment on this interpretation of the applicability of the licensing requirement.

b. Under the statute, an aggregator is an entity that seeks to organize individual customers together "into a group or entity for the purpose of purchasing electricity on a group basis." 35-A M.R.S.A. § 2301(2)(3). Please comment on the merits of considering an entity an aggregator, thus triggering the licensing requirement, when the entity obtains the authorization from individual consumers to act on their behalf to purchase electricity. An entity that merely seeks to advertise a

particular supplier or that provides a forum for suppliers to seek customers among their members would not be an aggregator. Please comment on this initial view.

c. Commenters are urged to identify other entities or situations that may or may not trigger the broad definitions of the Act and applicability of the licensing requirements.

2. Application Requirements

a. Evidence of financial capability. Section 3203(2)(A) specifically references "financial capability sufficient to refund deposits to retail customers in the case of bankruptcy or nonperformance or for any other reason." The Act also specifically requires the Commission to consider the need for a bond ". . . as evidence of financial ability to withstand market disturbances or other events that may increase the cost of providing service or to provide for uninterrupted service to its customers if a competitive electricity provider stops service." 35-A M.R.S.A. § 3203(2)

(i) Should the Commission include a bonding requirement in its licensing rules? Should such a bond be required for all license applicants? If not, what category of applicants should not be subjected to the bonding requirement? We note that neither the California nor Massachusetts commissions require a bond, but the Pennsylvania commission does require a bond subject to a individual request for exemption.

(ii) Should entities that satisfy specified financial criteria (e.g., credit agency ratings) be exempt from any bond requirements? If so, what should the criteria be?

(iii) What impact would a bond requirement have on "non-traditional marketers," such as community groups or non-profit organizations that may seek to aggregate their members for electricity services? If a bond is required, should such entities be eligible for a case-by-case exemption or should some entities not be required to post a bond?

(iv) If a bond is required, on what basis should its amount be determined? The Pennsylvania commission has required a bond in the amount of $250,000 for the first year, subject to modification based on the anticipated level of business in that state. The initial bond amount is then

modified annually to reflect an amount not less than 10% of the licensee's reported gross receipts.[2]

(v) If a bond is required, should a letter of credit or corporate guarantee be allowed in lieu of a bond? If so, under what circumstances should these alternatives be allowed?

(vi) Whether or not a bond is required, what other evidence of financial capability should be required? Please comment on the following possible license application information requirements and suggest other appropriate requirements:

- recent history of bankruptcy, dissolution, merger or acquisition of the entity;

- level of capitalization or corporate parent backing;

- documents which confirm the type of organization (corporation, association or partnership) and its by-laws.

(vii) What is the relationship, if any, of the Commission's financial capability requirements and the ISO-NE requirements for load serving entities? To obtain a license, should a provider be required to be a load serving entity for purposes of an ISO-NE settlements account or have a contract with such an entity?

(viii) Under what conditions should the bond proceeds be paid out? Who should be eligible for receipt of the bond proceeds?

b. Evidence of technical ability. Section 3203(2)(B) requires the applicant to provide evidence of the ability to enter into binding interconnection arrangements with transmission and distribution (T&D) utilities. This suggests that a category of information should be required that

---

[2]The Pennsylvania commission adopted interim licensing procedures and a license application form in its Order dated February 13, 1997 which contained this requirement. The Commission has recently initiated a rulemaking to establish permanent licensing procedures and requirements with this same requirement, Proposed Rulemaking Order, Licensing Requirements for Electric Generation Suppliers, Docket No. L-0970129, 28 Pa. Bulletin No. 5, January 31, 1998 at 508- 514.

relates to the applicant's technical ability to conduct the business of competitive provider.

(i) The Act does not require that the provider have entered into a contract or interconnection agreement itself, only that it has the "ability" to do so. Is this distinction significant? How else might the provider demonstrate its ability other than having entered an agreement?

(ii) Should the applicant be required to be a NEPOOL participant or have a contractual arrangement with a NEPOOL participant? Would such a provision satisfy the requirement of section 3203(2)(B)?

(iii) Should the applicant be required to document that it has the technical ability to generate or otherwise obtain and deliver electricity? If so, what should the documentation include?

c. Disclosure of prior enforcement proceedings. Section 3203(2)(C) requires the applicant to disclose pending legal actions and customer complaints filed against the provider at a regulatory body other than the Commission in the prior 12 months.

(i) This provision requires the applicant to disclose "pending" legal actions, but could reasonably be expanded to include concluded regulatory and court proceeding as well as pending actions. Please comment. Please also discuss whether the requirement should be expanded to include notification of all pending actions, including those initiated beyond the prior 12 months.

(ii) Should the Commission request such information for entities or individuals other than the applicant, such as the applicant's parent company, affiliate or any entity owned or operated by any member of the applicant's Board of Directors? The experience of the FCC and some states with interstate long distance providers is that the most egregious slamming incidents occurred with entities who were closely related to each other or had common ownership. Is this experience relevant to the electric generation industry?

(iii) How should the Commission interpret the requirement that the applicant disclose "customer complaints?" It is unlikely that any business has avoided having any customer complaints. Should these complaints be interpreted as those filed against the business with any local Better

Business Bureau, the state Attorney General, or the state regulatory commission? It may be most practical to interpret this provision as requiring notice of a high number of complaints or a formal investigation initiated by a regulatory agency as a result of consumer complaints. Please discuss the trigger for reporting a high complaint ratio or other criteria to clarify this application requirement.

d. Renewable resource portfolio. Section 3203(2)(D) requires the applicant to submit evidence of the ability to satisfy the renewable resource portfolio requirement under section 3210. How should this requirement be satisfied for purposes of licensing? This Inquiry does not seek to obtain comments on the substantive criteria required by Section 3210; those issues are being examined in a separate inquiry, Docket No. 97-584.

e. Identification of affiliates. Section 3203(2)(E) requires the applicant to disclose the names and corporate addresses of all affiliates. The term "affiliated interest" is already defined in section 3201 by reference to 35-A M.R.S.A. § 707(1)(A).

(i) Should there be any geographic limitation to this reporting requirement? If so, please suggest a reasonable limitation.

(ii) The potential extent of the reporting requirement for some larger providers is significant. Please discuss the reporting burden associated with compliance with this provision if it is defined to include affiliates operating within the U.S., within the New England area, or within Maine.

(iii) Are there other aspects of the corporate structure, such as operating within a holding company structure, that should be reported?

f. Additional items. While not required by the Act, the Commission is likely to require the applicant to provide specific information. Please comment on whether the specific listed items are either useful or difficult to provide. Please suggest other requirements that may be necessary or desirable.

- Legal name; name(s) under which the entity will do business in Maine;

- Business address;

- Location and agent for service of process in Maine;
- The location, if any, of any office(s) available to the general public or its customers located in Maine;
- The contact person and telephone number for regulatory matters and for customer complaints;
- The toll free or other number for customer inquiries, service, and complaints;
- The type of customers that will be served;
- The geographic service territory in which services will be provided;
- Declaration and signatures requiring authority to apply for a license and awareness of perjury laws;

B. Informational Filings

Section 3203(3) requires the Commission to establish rules on information disclosure and filing requirements.[3] The Commission requests comments on the types of information that should be filed or disclosed and how frequently.

1. The section requires that providers file their generally available rates, terms and conditions with the Commission. It is likely that providers will change these generally available terms rapidly. Commenters should provide guidance on how best to implement this statutory directive and how often providers must update their filings with the Commission.

2. The Commission views “generally available” as those rates, terms and conditions that are marketed and made available to consumers without regard to individualized contracts. The latter contracts may be obtained by the Commission upon request subject to the normal protections provided to confidential information. Should the filing requirement include generally available rates and terms available to any customer class or should it be limited to those available to residential and small commercial customers? Would a

[3]The Commission will consider uniform disclosure of comparative price terms, resource mix, and emissions, as well as the items listed in section 4 of the Act, in a separate NOI on regional information disclosure.

limitation to residential and small commercial customers be lawful under section 3203(3)?

3. Should the Commission, subject to protective orders, routinely require the submission of individual service contracts? If so, please discuss the purpose of such a filing requirement.

4. Recent California legislation requires all providers to report their generation meter data in kilowatt/hours by hour and fuel types, and fuel consumption by type and by month on a recorded, historical basis. Providers must report to the California PUC and the Energy Commission for each electricity offering for the previous year: (1) kilowatt/hours purchased by generator and fuel type consistent with meter data, including losses, reported to the system operator; (2) kilowatt/hours sold at retail; and (3) disclosures made to end-use consumers on generation source and fuel type.[4] Please discuss whether these types of disclosures would be useful in Maine and what purposes such a requirement might serve.

C. Standard Consumer Protection Provisions

Section 3203(4) establishes, as a requirement of licensing, a number of specific consumer protection provisions that apply to service to customers with a demand of 100 kW or less. The Commission seeks comment on these specific statutory requirements.

1. Subsection 4(A) prohibits a provider from terminating generation service without at least a 30-day notice to the customer. We anticipate that the Commission rules will refer to this process as "cancellation" of service because the provision of service by the provider to the customer is a matter of contract, and when and whether the provider can cancel the contract is a matter of the terms of the contract as supplemented by applicable regulations or statutes.

a. Should the rules specify the types of default that require a 30-day notice (such as non-payment by the customer) or should any form of contract cancellation by the provider require such a notice? May the provider cancel services other than "generation services" on less than 30-days notice? Should a cancellation notice be issued separately from the customer's bill or may the bill itself contain the necessary notice disclosures?

---

[4]California SB 1305, Chapter 796, eff. October 8, 1997. The bill also requires providers to provide fuel mix disclosures to end-use customers in written promotional materials.

b. What minimum information should be contained in the notice? It appears reasonable to require that the notice contain the necessary identification information about the supplier, a toll-free number where the customer can contact the provider to discuss the notice; information about the reason for the cancellation (if nonpayment, the total amount overdue); when service will be canceled if the default is not cured; how to cure the default (i.e., payment or payment arrangement, depending on the policies of the provider); and how the customer can obtain standard offer service if the service is canceled.

2. Subsection 4(B) requires providers to offer service to the customer for a minimum period of 30 days. This provision effectively prohibits a contract at will, at least for the first 30 day period.

a. Should this provision apply only to generation services or any service offered by the provider? If so, please explain the rationale for requiring minimum service periods for each service other than generation.

b. Are there any operational aspects to this requirement that will hinder provider marketing?

3. Subsection 4(C) requires providers to offer a right of rescission to customers that can be exercised either orally or in writing within 5 days of initial selection.[5] This a typical provision for consumer contracts and has been required, as well, in California and Pennsylvania for electric generation service contracts.

a. Should this right be disclosed to the customer in some conspicuous manner at the time of the initiation of the contract?

b. How should the customer be able to exercise their right orally so that sufficient evidence exists to respond to potential disputes, particularly if the provider's contract seeks to impose early cancellation fees for customers who otherwise do not rescind, but who seek to cancel their contract prior to its minimum term?

c. Should the rules require that the right of rescission be exercised in writing by responding to the provider in a specific manner? Would such an approach be allowed under the statute?

---

[5] *See, e.g.,* Consumer Solicitation Sales Act, 32 M.R.S.A. §§ 4661-4671

d. Should the rule address what the provider can do or not do to implement the contract while the 5-day right is pending? If the customer rescinds by mail on the fifth day, how long should the provider wait until it is clear whether or not the right has been exercised?

4. Subsection 4(D) prohibits the provider from telemarketing to those customers who have filed a written request with the Commission not to receive telemarketing from any competitive provider. This will require the Commission to maintain a "do not call" list similar to the "do not call" list that is presently required to be maintained by the entity making telephone solicitation calls pursuant to the federal Telemarketing and Consumer Fraud and Abuse Prevention Act[6] implemented by the Federal Trade Commission, 16 CFR 310, 60 FR 43864, eff. December 31, 1995, and the Federal Communications Commission, 47 CFR Part 64.1200(e).7 Because this list must be maintained by the Commission (or by a contractor as the agent of the Commission), there are a number of questions concerning this requirement:

a. What is the jurisdictional reach of this requirement with respect to calls initiated by a licensed provider from out-of-state? Because the provision is a condition of licensing, is this sufficient to provide jurisdiction and avoid any grounds for federal preemption or conflict with federal law? Are there any Maine or U.S. Constitutional free speech aspects of this provision which should be explored?

b. It would seem that the list would have to be maintained electronically to allow frequent updating and efficient access. With what degree of frequency should providers be required to obtain and implement the list?

c. What, if any, obligation should providers have to notify customers of the existence of this list and how a customer can get on the list?

d. Once customers ask to be on the list, should it be presumed that they wish to stay on the list until there is an affirmative request to be removed?

---

[6]15 U.S.C. §§ 1601-08.

[7]*See also,* 10 M.R.S.A. § 1499, which incorporates federal law and makes a violation enforceable by the affected consumer in state court or by the Attorney General.

5. Subsection 4(E) requires the provider to provide to the customer a disclosure document within 30 days of contracting for retail service. As noted above, we will consider the contents of disclosure requirements in a separate inquiry that will examine price, fuel mix, and emissions disclosures, as well as material terms of service applicable to the contract. However, we have an initial concern about the timing of these disclosures that we raise in this Inquiry. To be most effective, a disclosure document should be provided soon after the contractual relationship is initiated (rather than 30 days) so that the customer can learn all the details of their contract that may not have been disclosed at the time of the oral solicitation or in the promotional or marketing materials. It might also be desirable for the document to contain the customer’s right of rescission and how to exercise that right within 5 days. Therefore, the Commission seeks comment on whether it is lawful to require disclosure in less than 30 days and, if so, what should be the required time period.

6. Please comment on whether any or all of the section 3203(4) requirements should apply to providers that serve customers with a demand greater than 100 kW.

D. Consumer Protection Standards

Section 3203(6) requires the Commission to establish customer protection rules to promote market competition and protect consumers from fraud and other unfair and deceptive practices. Section 3203(8) requires the Commission to resolve disputes between competitive providers and customers concerning consumer protection standards. Please comment on the following topics:

1. Privacy: It may be necessary to address the use of customer-specific data already possessed by the T&D utility,[8] as well as the customer-specific data obtained by providers in the course of their contracts with customers. There is no applicable state or federal law on privacy of such data. Most states to date have required that the utility obtain a customer’s written authorization prior to release of any customer-specific data, including historical usage, unless such information is provided to credit bureaus or debt collectors pursuant to the Fair Credit Reporting Act.

---

[8]The utility’s use or transferal of this information to any corporate affiliate will be addressed in separate code of conduct rules, and is currently addressed in Chapter 820, Requirements for Non-Core Utility Activities and Transactions between Affiliates, provisionally adopted by the Commission on January 30, 1998.

2. Change of providers (slamming): The Commission intends to adopt minimum requirements that must be followed by competitive providers and T&D utilities when a customer seeks to select a new provider. The objective will be to prevent a reoccurrence of the pervasive practice of "slamming" in the telecommunications industry. It is argued that customers should not have to provide written authorization to change their supplier because of the adverse effect this may have on the development of competition and because this approach is not required for customers to enter into binding agreements with other competitive fuel suppliers, such as fuel oil or propane. However, we do intend to set forth the minimum requirements that will be necessary for the provider to follow to show evidence of a customer's authorization to select that provider. These options will likely include verification by an independent third party for all telemarketing sales efforts by suppliers.

a. The current FCC slamming rules allow the issuance of a notice by the provider to the customer to confirm the oral agreement who must then affirmatively decline the provider's mailing to avoid the transfer. The California electric restructuring legislation specifically does not allow this approach as evidence of a customer's authorization. Our initial view is that the use of a negative option when the provider has solicited the customer in person or over the telephone should not be allowed. Please comment.

b. Should the T&D utility play a role in notification to the customer of a switch order received from providers?

c. Should customers be able to orally order a switch by calling the provider? Calling the T&D utility?

d. Should any penalties be assessed against providers for slamming customers? If so, what sorts of penalties? In particular, should the rule link a provider's compliance with this provision to potential license revocation?

e. Should customers be required to pay any charges for electricity for a reasonable period after they have been slammed, since the providers they could pay either were not authorized to provide them with service or did not provide them service? If so, how long a period would be appropriate to give customers to discover they have been slammed (especially those customers receiving one bill from the T&D utility for both T&D and generation services who may find it difficult to notice they have been slammed) before they are required to pay charges?

Should customers have switching fees associated with being "slammed" refunded, and be switched back to their preferred provider for free? Should providers who have lost customers to slamming be allowed to file complaints against other providers with the Commission?

3. Application for credit: Because of the existence of standard offer service, it may not be necessary to oversee a provider's decision to deny a customer's application for service or impose conditions for service, such as deposits, pre-payment or other alternative contract terms. Please comment.

a. Pre-payment meters: There may be a concern that some providers may require some customers to use a pre-payment meter to obtain services, thus reducing the provider's risk of nonpayment. Should such meters be prohibited unless specifically allowed under the Commission's disconnection rules?

b. Consumer advocates have raised the spectre of "redlining," the practice of denying credit to customers in certain neighborhoods or geographic areas. This denial pattern could be related to income level of residents or the cost of service. Is this likely to occur with electric competition? Is there a need to specifically prohibit such practices or are the current ECOA, Fair Housing and other consumer protection laws sufficient to track and respond to this problem?

4. Minimum notice of renewal terms and price increases: It may be appropriate to require that providers provide a minimum notice period to customers of price increases during the term of the contract and to notify customers prior to the termination of their contract of either the automatic renewal provision or the need for the customer to affirmatively renew. Are such notice provisions reasonable? What notice provision should be required?

5. Prohibition of excessive collection costs: Many consumer "contracts of adhesion"[9] seek to impose significant collection costs when a creditor seeks payment after a customer's default. Please comment on whether the rules should prohibit unreasonable collection costs, such as attorney's fees and other collection fees, that are meant to operate more as damages rather than actual out-of-pocket expenses incurred by the creditor. Would such collection costs in the new electricity markets be governed by other state or federal laws or regulations?

---

[9] A term that reflects the pre-printed nature of the contract whose terms are not realistically subject to bargaining by the customer.

6. Marketing: The Commission seeks comment on whether certain marketing practices or marketing/promotional claims should be subject to oversight at this time. In particular,

a. Should the Commission require certain documentation or verification of “environmental” or “green” claims? Please comment in light of the likely requirement for some kind of resource mix and emissions disclosure.

b. Should multi-level marketing promotions for the sale of electric generation services be prohibited? This suggestion is proposed in light of the pending investigation of one such marketer in California by both the California Attorney General and the PUC.

7. Additional protections for non-paying customers: Because of the existence of standard offer service, the Commission is not inclined to include the following provisions. Please comment.

a. a requirement that providers honor a request to delay contract cancellation for a certain time period when the customer declares a medical emergency in the household.

b. a requirement to offer a payment arrangement to avoid default and cancellation.

c. a requirement that providers play a role in the implementation of the Commission’s Winter Disconnection Rule, Chapter 81, § 17, or that any forbearance occur concerning collection activities during the winter period.

8. Disconnection for nonpayment: Section 3203(14) prohibits the T&D utility from disconnecting electric service for the failure to pay for generation charges or for any dispute between a customer and a competitive provider. However, disconnection by the utility is allowed for the failure to pay for standard offer charges (or, presumably any regulated charges billed by the T&D utility). A similar provision has also been adopted in California, Pennsylvania and other states engaged in electric restructuring. It is similar as well to our current policy which does not allow a utility to disconnect service for the failure to pay for unregulated charges. Competitive providers may instead issue a notice of cancellation as discussed above and seek to collect their unpaid bills using the tools of any competitive business: direct and third-party debt collection (subject to the state and federal Fair Debt Collection Practices Act), reporting of unpaid debt to credit reporting agencies

(subject to the state and federal Fair Debt Collection Practices Act), and court-ordered payment. Please comment on the following:

a. It may be appropriate to clarify that the prohibition on T&D utilities disconnecting for nonpayment of competitive provider bills applies regardless of whether the T&D utility bills on behalf of a competitive provider or the competitive provider bills the customer directly.

b. Our current view is that the disconnection prohibition would also prohibit the T&D utility from including any overdue amount for generation services (other than standard offer service) in a T&D disconnection notice for unpaid T&D charges, thus requiring utilities to maintain separate balance billing capability.

9. Dispute resolution: Section 3203(8) requires the Commission to resolve customer complaints involving the consumer protection standards.

a. Should the rule include minimum dispute resolution procedures? If so, what should be the stated procedures?

b. Should the rule define the types or categories of disputes that are subject to Commission resolution? If so, how should such disputes be defined?

E. Licensing Procedures; Renewal

We generally seek comment on the procedures that an applicant for a license must follow, whether filing fees must accompany the application, notice provisions, the Commission’s review procedures and the timeframe by which a license decision will be rendered.

1. Should a license applicant be required to file an affidavit or otherwise attest to compliance with the consumer protection and disclosure requirements?

2. Should a filing fee be required to cover the administrative cost of processing the application and maintaining the database of current licensed providers? Should the existence and amount of this fee be related to whether the providers are subject to a regulatory assessment.

3. Should applicants be required to provide notice of their application in any newspaper publication? To a list of interested persons maintained by the Commission?

4. It may be appropriate to establish a 30-60 day period for review of a completed license application. Is this an appropriate timeframe? Should the rule provide that any application not denied within the specified time period is approved?

5. Under what conditions should the Commission entertain protests or requests to intervene in a license application?

6. Should all licenses be issued for a term certain or should the authority to require a term and renewal be exercised on a case-by-case basis? Should all licenses be for an indefinite period until explicitly revoked by the Commission? Should the license be issued subject to the annual payment of an assessment or other licensing fee, adjustment in the bond amount, or filing of certain reports or information?

F. License Revocation and Enforcement Options

The Commission rules will describe the procedural steps that govern a license revocation, issuance of a cease and desist order, order for customer restitution, assessment of penalties and other remedies described in section 3203(5), (7), (10), (11), (12), and (13).

1. Other than the procedural requirements of Title 5 M.R.S.A., chapter 375, are there additional procedural matters that should be addressed in the rule concerning renewal, revocation or other enforcement options?

2. Should the rules address what actions the Commission should undertake if a provider files for protection under the Bankruptcy laws, or is the subject of a criminal or regulatory action in another state for fraudulent or deceptive conduct in the sale of electricity generation services?

3. Should the rules address how a provider can abandon service, stop providing services to customers, or seek to cancel their license to do business in Maine? How much notice should providers be required to provide its customers, the Commission or the T&D utility prior to such actions?

4. Should the Commission include in the rules any mandatory trigger for the initiation of a license revocation proceeding? If so, what criteria should be listed in the rule?

5. Under what type of circumstances should the Commission consider ordering restitution? Does this provision require or authorize the Commission to assess damages in context of a rule violation or should the provision cover only refunds of amounts paid to the provider?

6. What specific procedural requirements are necessary or desirable to assess penalties under section 3203(7)?

G. Standard Billing

Section 3203(15) requires the Commission to consider standard billing information and to investigate standards consistent with other New England states. As mentioned above, the Commission will consider regional uniform disclosure requirements in a separate inquiry. In this Inquiry, we request comments on the following:

1. Should the rules adopt minimum standards to govern the context and format of competitor provider bills, and if so in what manner?

2. Should suppliers be required to issue written bills? Should there be provisions regarding providers that bill electronically or via credit card?

3. Should the disclosures required of provider bills be applied to T&D utilities that bill for providers? Should provider charges appear on a separate page?

4. Should the rules include provisions regarding T&D utilities providing billing services to competitive providers, including such items as the transfer of customer payments?

H. Inquiry Process

We request comments on whether the Commission should sanction some type of collaborative approach to developing the licensing and customer protection rules and, if so, whether a facilitator or mediator may be helpful.

Interested persons may participate in this inquiry by filing a letter stating their interest in this proceeding no later than March 27, 1998. The letter should be addressed to Dennis L. Keschl, Administrative Director and include this docket number,

Docket No. 97-590. The Commission will then issue a service list. All subsequent filings must be served to all interested persons on the service list. Interested persons may file substantive comments by April 17, 1998. We may convene a meeting after this date to discuss the comments and explore whether there is interest in further collaborative efforts or workshops on the contents of this rule.

Accordingly, we

O R D E R

1. That an inquiry shall be opened as described in the body of this Notice;

2. That this Notice shall be sent to all electric utilities in the State of Maine;

3. That this Notice shall be sent to the service list of electric restructuring, Docket No. 95-462;

4. That this notice shall be sent to all persons that have registered to contract to provide retail electric service pursuant to 35-A M.R.S.A. § 3142, Docket No. 97-400; and

5. That this Notice of Inquiry will also be posted on the Commission's website, http://www.state.me.us/mpuc.

Dated at Augusta, Maine this 17th day of March, 1998.

BY ORDER OF THE COMMISSION

Dennis L. Keschl
Administrative Director

COMMISSIONERS VOTING FOR: Welch
Hunt

COMMISSIONER ABSENT: Nugent