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R of S.

L.D. 735

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MINORITY
UTILITIES AND ENERGY

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
118TH LEGISLATURE
FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "B" to H.P. 544, L.D. 735, Bill, "An Act to Permit the Public Utilities Commission to Suspend Rate Regulation of Certain Telephone Utilities"

Amend the bill by striking out all of section 1 and inserting in its place the following:

Sec. 1. 35-A MRSA §307-A is enacted to read:

§307-A. Exemption for certain telephone utilities

The commission may adopt by rule standards and procedures for granting exemptions from all or specified portions of section 307 and for suspending its powers of suspension and investigation under section 310 with respect to a telephone utility, a specified group of telephone utilities or specified services offered by one or a group of telephone utilities. Any determination granting an exemption or suspension pursuant to the rule must be accompanied by a finding that the utility or group of utilities does not exercise significant power over pricing in the markets for the specified services and that the determination will not result in unjust or unreasonable rates for any customers in the markets for those services. The commission may limit its determination to specific geographic areas. A utility whose rates or terms and conditions are subject to a determination made pursuant to a rule adopted under this section remains subject to other applicable provisions of this Title and commission rules.

For good cause, as defined by the commission by rule, the commission may revoke any determination made pursuant to this section. A revocation may be in whole or in part and may be

COMMITTEE AMENDMENT

COMMITTEE AMENDMENT "B" to H.P. 544, L.D. 735

2 specific to a single telephone utility or a single utility
3 service.

4 Rules adopted pursuant to this section are routine technical
5 rules as defined in Title 5, chapter 375, subchapter II-A.

6 **Sec. 2. 35-A MRSA §912 is enacted to read:**

8 **§912. Exemption for certain telephone utilities**

10 The commission may adopt by rule standards and procedures
11 for granting exemptions to a telephone utility or a specified
12 group of telephone utilities from all or specified portions of
13 this chapter. Any exemption granted pursuant to the rule must be
14 accompanied by a finding that the application of this chapter or
15 portions of this chapter to the telephone utility or group of
16 telephone utilities will not further the public interest. The
17 commission may limit an exemption to specific geographic areas.
18 A utility granted an exemption pursuant to a rule adopted under
19 this section remains subject to other applicable provisions of
20 this Title and commission rules.

22 For good cause, as defined by the commission by rule, the
23 commission may revoke any exemption granted pursuant to this
24 section. A revocation may be in whole or in part and may be
25 specific to a single telephone utility or a single utility
26 service.

28 Rules adopted pursuant to this section are routine technical
29 rules as defined in Title 5, chapter 375, subchapter II-A.

30 **Sec. 3. 35-A MRSA §1105 is enacted to read:**

32 **§1105. Exemption for certain telephone utilities**

34 The commission may adopt by rule standards and procedures
35 for granting exemptions to a telephone utility or a specified
36 group of telephone utilities from all or specified portions of
37 this chapter. Any exemption granted pursuant to the rule must be
38 accompanied by a finding that the application of this chapter or
39 portions of this chapter to the telephone utility or group of
40 telephone utilities will not further the public interest. The
41 commission may limit an exemption to specific geographic areas.
42 A utility granted an exemption pursuant to a rule adopted under
43 this section remains subject to other applicable provisions of
44 this Title and commission rules.

46 For good cause, as defined by the commission by rule, the
47 commission may revoke any exemption granted pursuant to this
48 section. A revocation may be in whole or in part and may be
49 specific to a single telephone utility or a single utility
50 service.

specific to a single telephone utility or a single utility service.

Rules adopted pursuant to this section are routine technical rules as defined in Title 5, chapter 375, subchapter II-A.'

Further amend the bill by inserting at the end before the summary the following:

FISCAL NOTE

The Public Utilities Commission will realize some minor savings from the suspension of rate regulation for certain telephone utilities.

The Public Utilities Commission will incur some minor additional costs to adopt certain rules pertaining to telephone utilities and to submit a required report to the Legislature. These costs can be absorbed within the commission's existing budgeted resources.'

SUMMARY

This amendment, which is the minority report of the Joint Standing Committee on Utilities and Energy, replaces the bill. This amendment permits the Public Utilities Commission to adopt rules under which it may exempt a telephone utility or group of telephone utilities from the provisions of the Maine Revised Statutes, Title 35-A, chapters 9 and 11 and sections 307 and 310. These provisions relate to regulation of telephone utility rates, issuance of long-term debt, the selling of property useful in the performance of public duties, mergers with other utilities, acquisition of stock of other utilities and abandonment of service. The amendment provides that the commission may grant exemptions only to the extent that they are in the public interest. The commission may, for good cause, revoke any exemption granted.

This amendment also adds a fiscal note to the bill.