

MAINE STATE LEGISLATURE

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120th MAINE LEGISLATURE

FIRST REGULAR SESSION-2001

Legislative Document

No. 33

S.P. 17

In Senate, January 9, 2001

An Act to Lower In-state Phone Costs for Rural Maine.

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

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator LONGLEY of Waldo.
Cosponsored by Representative: LEMOINE of Old Orchard Beach.

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

2 Sec. 1. 35-A MRSA §7303-A is enacted to read:

4 **§7303-A. Basic service calling areas**

6 Customers of a local exchange carrier who receive local,
8 flat-rate, basic service within a single exchange area may
10 petition the commission to expand their basic service calling
12 area. Upon written petition by 5 or more customers of a local
14 exchange carrier, the commission shall open a proceeding to
16 expand the basic service calling area. The commission shall hold
18 at least one public hearing. The commission, within 4 months of
20 the filing of the written petition, shall issue an order
22 establishing an expanded basic service calling area for the area
24 served by the petitioning customers. The commission's order must
direct the carrier to file within one year a financial report on
the costs of expanding the basic service calling area. Upon
receipt of the carrier's filing, the commission shall conduct an
investigation to determine the costs, if any, attributable to the
expansion. The commission may only allow recovery of these costs
if the carrier demonstrates that nonrecovery of the costs will
result in the carrier earning less than a reasonable rate of
return.

26
28 **SUMMARY**

30 This bill requires the Public Utilities Commission, on
32 petition, to expand a basic service calling area that encompasses
34 only a single exchange. The commission may permit the carrier
36 who is required to expand a basic service calling area to recover
any associated costs only if the commission determines that
nonrecovery of the costs would result in the carrier earning less
than a reasonable rate of return.