

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied  
(searchable text may contain some errors and/or omissions)

Handwritten initials or mark in the top left corner.

DATE: 4/27/05

(Filing No. H-198)

UTILITIES AND ENERGY

Reproduced and distributed under the direction of the Clerk of the House.

STATE OF MAINE HOUSE OF REPRESENTATIVES 122ND LEGISLATURE FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "A" to H.P. 619, L.D. 868, Bill, "An Act To Ensure Equity in Funding"

Amend the bill by striking out everything after the enacting clause and before the emergency clause and inserting in its place the following:

Sec. 1. 35-A MRSA §116, sub-§1, as amended by PL 2003, c. 272, §1, is further amended to read:

1. Utilities subject to assessments. Every transmission and distribution, gas, telephone and water utility and ferry subject to regulation by the commission is subject to an assessment on its intrastate gross operating revenues to produce a total of no more than \$5,505,000 in revenues annually. The commission shall assess transmission and distribution utilities at a rate sufficient to produce \$3,772,000 annually. The commission shall assess all other utilities at a rate sufficient to produce \$1,733,000 annually. The portion of the total assessment applicable to each category of public utility is based on an accounting by the commission of the portion of the commission's resources devoted to matters related to each category. The commission shall develop a reasonable and practicable method of accounting for resources devoted by the commission to matters related to each category of public utility. Assessments on each public utility within each category must be based on the utility's gross intrastate operating revenues. The commission shall determine the assessments annually prior to May 1st and assess each utility for its pro rata share for expenditure during the fiscal year beginning July 1st. Each utility shall pay the assessment charged to the utility on or before July 1st of each year. Any increase in the

COMMITTEE AMENDMENT

2 assessment that becomes effective subsequent to May 1st may be  
billed on the effective date of the act authorizing the increase.

4 A. The assessments charged to utilities under this section  
are just and reasonable operating costs for rate-making  
6 purposes.

8 B. For the purposes of this section, "intrastate gross  
operating revenues" means intrastate revenues derived from  
10 filed rates, except revenues derived from sales for resale.

12 C. Gas utilities subject to the jurisdiction of the  
commission solely with respect to safety are not subject to  
14 any assessment.

16 D. The commission may correct any errors in the assessments  
by means of a credit or debit to the following year's  
18 assessment rather than reassessing all utilities in the  
current year.

20 E. The commission may exempt utilities with annual  
22 intrastate gross operating revenues under \$50,000 from  
assessments under this section.

24 **Sec. 2. 35-A MRSA §116, sub-§5**, as amended by PL 1991, c. 343,  
26 §3, is further amended to read:

28 **5. Unexpended funds.** ~~Except--as--specified--in--this~~  
subsection,--any Any amount of the funds that is not expended at  
30 the end of a fiscal year does not lapse, but is carried forward  
to be expended for the purposes specified in this section in  
32 succeeding fiscal years, ~~but any unexpended funds in excess of 5%~~  
~~of the total annual assessment authorized in subsection 1 must~~  
34 ~~be, at the option of the commission, either presented to the~~  
~~Legislature in accordance with subsection 2 for reallocation and~~  
36 ~~expenditure for commission purposes, or used to reduce the~~  
~~utility assessment in the following fiscal year.~~

38 **Sec. 3. 35-A MRSA §116, sub-§8**, as amended by PL 2005, c. 3,  
40 Pt. J, §1, is further amended to read:

42 **8. Public Advocate assessment.** Every utility subject to  
assessment under this section is subject to an additional annual  
44 assessment on its intrastate gross operating revenues to produce  
sufficient revenue for expenditures allocated by the Legislature  
46 for operating the Office of Public Advocate, excluding amounts  
allocated for the full cost of the State Nuclear Safety Advisor  
48 established pursuant to Title 25, section 52. The portion of  
this assessment applicable to each category of public utility is  
50 based on an accounting by the Public Advocate of resources

2015

COMMITTEE AMENDMENT "A" to H.P. 619, L.D. 868

2 devoted to matters related to each category. The Public Advocate  
3 shall develop a reasonable and practicable method of accounting  
4 for resources devoted by the Public Advocate to matters related  
5 to each category of public utility. Assessments on each public  
6 utility within each category must be based on the utility's gross  
7 intrastate operating revenues. The revenues produced from this  
8 assessment are transferred to the Public Advocate Regulatory Fund  
9 and may only be used to fulfill the duties specified in chapter  
10 17. The assessments charged to utilities under this subsection  
11 are considered just and reasonable operating costs for  
12 rate-making purposes. The Public Advocate shall develop a method  
13 of accounting for staff time within the Office of Public  
14 Advocate. All professional and support staff shall account for  
15 their time in such a way as to identify the percentage of time  
16 devoted to public utility regulation and the percentage of time  
17 devoted to other duties that may be required by law.

18 A. The Public Advocate shall submit its budget  
19 recommendations as part of the unified current services  
20 budget legislation in accordance with Title 5, sections 1663  
21 to 1665. The assessments and expenditures provided in this  
22 section are subject to legislative approval. The Public  
23 Advocate shall make an annual report of its planned  
24 expenditures for the year and on its use of funds in the  
25 previous year. The Public Advocate may also receive other  
26 funds as appropriated by the Legislature.

28 B. The Public Advocate may use the revenues provided in  
29 accordance with this section to fund the Public Advocate and  
30 9 employees and to defray the costs incurred by the Public  
31 Advocate pursuant to this Title, including administrative  
32 expenses, general expenses, consulting fees and all other  
33 reasonable costs incurred to administer this Title.

34 C-1. ~~Except as specified in this subsection, funds~~ Funds  
35 that are not expended at the end of a fiscal year do not  
36 lapse but must be carried forward to be expended for the  
37 purposes specified in this section in succeeding fiscal  
38 years, ~~but, with the exception of funds carried forward from~~  
39 ~~fiscal year 2004-05 and fiscal year 2005-06 for use in the~~  
40 ~~following fiscal year, unexpended funds in excess of 10% of~~  
41 ~~the total annual assessment authorized in this section must,~~  
42 ~~at the option of the Public Advocate, either be presented to~~  
43 ~~the Legislature in accordance with paragraph A for~~  
44 ~~reallocation and expenditure or used to reduce the utility~~  
45 ~~assessment in the following fiscal year. In the case of~~  
46 ~~funds carried forward from fiscal year 2004-05 and fiscal~~  
47 ~~year 2005-06 for use in the following fiscal year, 100% of~~  
48 ~~these funds may be expended for the purposes specified in~~  
49 ~~this section.~~  
50 this section.

**RdS.**

2           **Sec. 4. Public Utilities Commission study.** The Public Utilities  
3 Commission shall, so far as is reasonably practicable, make an  
4 accounting of resources devoted by the commission to matters that  
5 relate to or affect entities other than public utilities. The  
6 commission shall report the accounting results to the Joint  
7 Standing Committee on Utilities and Energy no later than March 1,  
8 2006. The committee is authorized to report out a bill to the  
9 Second Regular Session of the 122nd Legislature relating to the  
10 assessments imposed under the Maine Revised Statutes, Title 35-A,  
11 section 116.'

12

14

**SUMMARY**

16

This amendment strikes and replaces the bill.

18

1. It apportions the assessment on public utilities to fund  
19 the Public Utilities Commission and the Office of the Public  
20 Advocate based on an accounting of resources devoted by each  
21 agency to matters related to the various categories of  
22 utilities. Within each utility category, the assessment is based  
23 on gross intrastate operating revenues.

24

26

2. It provides that all unspent funds derived from the  
25 Public Advocate assessment and Public Utilities Commission  
26 assessment do not lapse but are carried forward to the next  
27 fiscal year.

28

30

3. It clarifies that the Public Advocate assessment does  
31 not produce revenues to fund the State Nuclear Safety Advisor, a  
32 position that is separately funded.

32

34

4. It directs the Public Utilities Commission to account  
35 for resources devoted to matters relating to entities other than  
36 public utilities. It directs the commission to report the  
37 results to the Joint Standing Committee on Utilities and Energy  
38 no later than March 1, 2006 and authorizes the committee to  
39 report out a bill to the Second Regular Session of the 122nd  
40 Legislature relating to the assessments imposed under the Maine  
41 Revised Statutes, Title 35-A, section 116.

42

44

**FISCAL NOTE REQUIRED**

(See attached)

46



# 122nd MAINE LEGISLATURE

LD 868

LR 0989(02)

## An Act To Ensure Equity in Funding

Fiscal Note for Bill as Amended by Committee Amendment *A*

Committee: Utilities and Energy

Fiscal Note Required: Yes

---

### Fiscal Note

Minor cost increase - Other Special Revenue Funds

#### Fiscal Detail and Notes

The additional costs associated with developing a method of accounting for resources devoted by the commission to the various categories of utilities and submitting a report to the Joint Standing Committee on Utilities and Energy can be absorbed by the Public Utilities Commission utilizing existing budgeted resources. The bill as amended also requires annual assessments for the Office of the Public Advocate be calculated in the same manner as the Public Utilities Commission.