

# MAINE STATE LEGISLATURE

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# 129th MAINE LEGISLATURE

## SECOND REGULAR SESSION-2020

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Legislative Document

No. 1881

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H.P. 1347

House of Representatives, December 24, 2019

### An Act Regarding Utility-related Fees

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Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Received by the Clerk of the House on December 20, 2019. Referred to the Committee on Energy, Utilities and Technology pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT  
Clerk

Presented by Representative BERRY of Bowdoinham.  
Cosponsored by Senator LIBBY of Androscoggin and  
Representatives: CAIAZZO of Scarborough, CUDDY of Winterport, DOUDERA of Camden,  
EVANGELOS of Friendship, PLUECKER of Warren, RILEY of Jay, RYKERSON of Kittery,  
Senator: WOODSOME of York.

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

2 **Sec. 1. 35-A MRSA §120, sub-§2-A** is enacted to read:

3 **2-A. Utility-related fees and penalties.** Any utility-related fees and penalties paid  
4 by a public utility in the previous year that have not been adjusted in the previous 5 years.  
5 The commission shall submit to the committee legislation to adjust each such utility-  
6 related fee or penalty paid by a public utility that is set in statute and rule based on the  
7 Consumer Price Index;

8 **Sec. 2. 35-A MRSA §120, sub-§2-B** is enacted to read:

9 **2-B. Expenses.** Beginning in 2021, the commission's expenses relating to all  
10 consumer-owned public utilities and expenses relating to all investor-owned public  
11 utilities in the previous year and a determination of the average regulatory cost per  
12 customer per year for all consumer-owned public utilities and all investor-owned public  
13 utilities in each utility industry.

14 Whenever the average regulatory cost per customer per year in a utility industry under  
15 this subsection for all consumer-owned public utilities exceeds the average regulatory  
16 cost per customer per year for all investor-owned public utilities by more than 50%, the  
17 commission shall amend its rules or introduce legislation to address the discrepancy in a  
18 manner that minimizes the shift of regulatory costs from customers of consumer-owned  
19 public utilities to customers of investor-owned public utilities.

20 Whenever the average regulatory cost per customer per year in a utility industry under  
21 this subsection for all investor-owned public utilities exceeds the average regulatory cost  
22 per customer per year for all consumer-owned public utilities by more than 50%, the  
23 commission shall amend its rules or introduce legislation to address the discrepancy in a  
24 manner that minimizes the shift of regulatory costs from customers of investor-owned  
25 public utilities to customers of consumer-owned public utilities;

26 **Sec. 3. 35-A MRSA §1702, sub-§6, ¶A** is enacted to read:

27 A. Beginning in 2021, the Public Advocate shall include in the annual report a  
28 review of the Public Advocate's expenses relating to all consumer-owned public  
29 utilities and expenses relating to all investor-owned public utilities over the past  
30 report year and determine the average regulatory cost per customer per report year for  
31 all consumer-owned public utilities and all investor-owned public utilities in each  
32 utility industry.

33 **Sec. 4. 35-A MRSA §1702, sub-§6, ¶B** is enacted to read:

34 B. Whenever the average regulatory cost per customer per report year in a utility  
35 industry under paragraph A for all consumer-owned public utilities exceeds the  
36 average regulatory cost per customer per report year for all investor-owned public  
37 utilities by more than 50%, the Public Advocate shall amend its rules or introduce  
38 legislation to address the discrepancy in a manner that minimizes the shift of  
39 regulatory costs from customers of consumer-owned public utilities to customers of  
40 investor-owned public utilities.

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**Sec. 5. 35-A MRSA §1702, sub-§6, ¶C** is enacted to read:

C. Whenever the average regulatory cost per customer per report year in a utility industry under paragraph A for all investor-owned public utilities exceeds the average regulatory cost per customer per report year for all consumer-owned public utilities by more than 50%, the Public Advocate shall amend its rules or introduce legislation to address the discrepancy in a manner that minimizes the shift of regulatory costs from customers of investor-owned public utilities to customers of consumer-owned public utilities.

**Sec. 6. Fee and penalty revision.** The Public Utilities Commission shall submit legislation to the First Regular Session of the 130th Legislature to adjust all fees and penalties paid by public utilities, as defined in the Maine Revised Statutes, Title 35-A, section 102, subsection 13, based on the actuarially compounded Consumer Price Index for each fee or penalty since enactment, rounding to the nearest multiple of \$100 if the fee or penalty is below \$10,000 and to the nearest multiple of \$1,000 if the fee or penalty is \$10,000 or greater.

**SUMMARY**

This bill requires the Public Utilities Commission to report annually to the joint standing committee of the Legislature having jurisdiction over public utilities matters on any utility-related fees and penalties that have not been adjusted in the previous 5 years and to submit legislation to adjust each utility-related fee or penalty based on the Consumer Price Index. The commission is also required to submit legislation to the First Regular Session of the 130th Legislature to adjust all fees and penalties paid by public utilities based on the actuarially compounded Consumer Price Index for each fee or penalty since enactment.

The bill also requires the commission and the Public Advocate, beginning in 2021, to annually review their expenses relating to all consumer-owned public utilities and expenses relating to all investor-owned public utilities over the past year, determine the average regulatory cost per customer per year for all consumer-owned public utilities and all investor-owned public utilities in each utility industry and amend their rules or introduce legislation to address a significant discrepancy in the average regulatory costs.