

MAINE STATE LEGISLATURE

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ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document

No. 1719

H. P. 1407

House of Representatives, April 7, 1975

Referred to Committee on Public Utilities. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. Spencer of Standish.

Cosponsors: Mr. Kelleher of Bangor and Mr. Smith of Dover-Foxcroft.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-FIVE

AN ACT to Establish Assessments upon Certain Public Utilities and to Authorize Use of the Funds Generated by those Assessments to Pay Certain Expenses of the Public Utilities Commission.

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

35 MRSA § 16 is enacted to read:

§ 16. Assessments upon electrical utilities, gas utilities, telegraph utilities, telephone utilities, water utilities; use of funds generated by assessments

The commission is hereby authorized to make an assessment against each electrical utility, gas utility, telegraph utility, telephone utility and water utility under the jurisdiction and control of the commission, based upon the intrastate gross operating revenue of each of said utilities derived from sales of electric, gas, telegraph, telephone and water service respectively, as shown in the annual report of each of said utilities to the commission. Said assessments shall be made at a rate not exceeding $\frac{1}{20}$ of 1% as shall be determined and certified annually by the commission as sufficient to produce not more than \$150,000 in revenue; provided however, that if the commission shall fail to expend in any fiscal year the total amount of \$150,000 for the purposes set forth in this section, any amount unexpended in such fiscal year shall be credited against the assessments to be made in the following year and the assessments in the following year shall be reduced by such unexpended amount. Said assessments shall be made by the commission on or before May 1st of each year and shall be paid by each utility on or before July 1st of each year. Assessments under this section shall be considered normal

operating costs of the utility for rate setting purposes. The funds produced by said assessments shall be used by the commission, in addition to other funds appropriated, to assist in defraying the general operating expenses of the commission and may be used to compensate commission consultants in rate or other matters involving utilities subject to assessment under this section.

STATEMENT OF FACT

This bill would produce \$150,000 in new revenue. The current annual appropriation to the Public Utilities Commission from the General Fund is \$358,280, a budget geared to more tranquil times. The proposed assessment would offset the impact of the proposed budget reduction and would enable the commission to retain consultant assistance in major rate cases.

Furthermore, the commission collected \$618,609 from trucking permit fees last year. These fees can only be used for transportation purposes. Of this amount, \$390,416 was spent on transportation; \$120,000 was spent on the transportation related general operations of the commission; \$200,000 was reallocated to the General Highway Fund. It thus appears that the trucking fees could be somewhat reduced if they were replaced in part by the proposed assessment. This would be appropriate, for the trucking industry currently bears more than its fair share of Public Utilities Commission costs.

The proposed assessment would cost a person with a \$20 utility bill 1¢ per month.