

MAINE STATE LEGISLATURE

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FIRST SPECIAL SESSION

ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document

No. 2229

S. P. 707

In Senate, February 18, 1976

Reported by Senator Cummings of Penobscot from Committee on Public Utilities pursuant to Joint Order (S. P. 540). Printed under Joint Rules No. 3.

HARRY N. STARBRANCH, Secretary

Filed under Joint Rule 3, pursuant to S. P. 540.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-SIX

AN ACT to Regulate Sewer Utilities.

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

Sec. 1. 35 MRSA § 15, sub-§ 13, is amended to read:

13. **Public utility.** "Public utility" includes every common carrier, gas company, natural gas pipeline company, electrical company, sewer company, telephone company, telegraph company, water company, public heating company, wharfinger and warehouseman, as those terms are defined in this section, and each thereof is declared to be a public utility and to be subject to the jurisdiction, control and regulation of the commission, and to chapters 1 to 17.

Sec. 2. 35 MRSA § 15, sub-§§ 15-A and 15-B, are enacted to read:

15-A. **Sewer company.** "Sewer company" includes every corporation, authority, quasi-municipal corporation, sanitary district, or person, their lesses, trustees, recivers, or trustees appointed by any court whatsoever, owning, controlling, operating or managing any sewer system for compensation within this State, but shall not include the owners or operators of any industrial or manufacturing plants maintaining and operating sewer systems primarily in connection with its manufacturing operations or municipal corporations.

15-B. **Sewer system.** "Sewer system" includes all treatment plants, pumping stations, intercepting sewers, trunk sewers, pressure lines, mains, lateral mains and all necessary appurtenances and equipment and all real estate,

fixtures and personal property owned, controlled, operated or managed by any sewer company, in connection with or to facilitate the collection, treatment, purification or disposal of sewage and sewerage effluent and residue.

Sec. 3. 35 MRSA Pt. 9 is enacted to read:

PART 9

SEWER UTILITIES

CHAPTER 301

REGULATION OF SEWER UTILITIES

§ 3401. Declaration of policy

It is declared that the operation of certain sewer companies, as defined, within this State is affected with the public interest and that the health, safety and welfare of the inhabitants of this State require the regulation of sewer companies, as defined, and that this chapter shall be liberally construed for the accomplishment of that purpose.

§ 3402. Registration

Every sewer company, as defined, engaged on the effective date of this chapter in operating, constructing or extending any sewer system shall register with the commission within 60 days after the effective date of this chapter by filing with the commission a written statement setting forth the full name of the sewer company, its principal place of business and its mailing address. Every sewer company, as defined by this chapter shall submit to the commission a copy of its charter, and shall describe the territory which the sewer company is serving or is authorized to serve, and shall further file such papers, documents or other matters which the commission may deem necessary and appropriate in order to carry out the provisions of this chapter.

§ 3403. Existing sewer companies

Every sewer company, serving or authorized to serve a given area, whether construction is started or not, shall be entitled to continue serving the territory it serves or is authorized to serve on the effective date of this chapter.

§ 3404. Initial rates and rules

1. Initial rates. All rates and charges of every sewer company in effect on the effective date of this chapter shall be the lawful rates and charges of such company. All such rates and charges shall continue in effect as lawful rates and charges unless and until changed by the commission as provided in this chapter.

2. Filing required Within 6 months after the effective date of this chapter, every sewer company engaged on the effective date of this chapter in the construction or operation of a sewer system shall file with the commission a schedule showing all of its rates, classifications and charges for service of every kind furnished by it on the effective date of this chapter and a complete copy of all of its rules and regulations relating thereto in effect on the effective date of this chapter.

§ 3405. Effective rates

1. Present service. After the rates and charges provided in this chapter become effective, no sewer company shall charge or receive, directly or indirectly, any other rate or charge for any class of service provided for in the filings required herein unless and until such rates and charges shall be changed, as provided in chapters 1 to 17.

2. New service. If any sewer company shall provide a new class of service not provided for in the filings required herein, the sewer company may furnish the new class of service and fix just, fair and reasonable and compensatory rates and charges therefor. A schedule of any rates and charges so fixed shall be filed with the commission in accordance with chapters 1 to 17.

§ 3406. Regulations and law applicable to sewer companies

Every sewer company, as defined, shall be subject to all the provisions of chapters 1 to 17, so far as applicable, and to such orders, rules and regulations as shall be adopted and promulgated by the commission under the authority of those chapters.

In addition to the foregoing, every sewer system, as defined, shall be subject to the jurisdiction, orders, rules and regulations of the Board of Environmental Protection, to the extent provided in the law creating said board, it being the intent of the Legislature that the respective duties assigned that commission shall be exercised by each in the respective spheres and not to create exclusive jurisdiction in the Public Utilities Commission.

§ 3407. Regional sewer systems or authorities, rates, charges and assessments

A regional sewer system or authority is an entity created by a private Act of the Legislature for the purpose of serving 2 or more municipal or quasi-municipal corporations with a system for the collection, treatment and purification or disposal of sewage or sewerage effluent or residue. Such system or authority is a sewer company, as defined. In determining charges or assessments between a regional sewer system or authority and any municipal or quasi-municipal corporation, the commission shall be bound by the standard or formula for apportioning costs, assessments or charges set forth in the private Act creating said system or authority.

§ 3408. Assessments upon sewer utilities; use of funds generated by assessments

The commission is hereby authorized to make an assessment against each sewer utility under its jurisdiction and control, based upon the intrastate gross operating revenue of each of these utilities derived from rates and charges, as shown in the annual report of each of these utilities to the commission. This assessment 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 \$60,000 in revenue; provided 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. These 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 these assessments shall be used by the commission to carry out the purposes of this chapter.

Sec. 4. Appropriation. There is appropriated from the General Fund to the Public Utilities Commission the sum of \$58,458 to carry out the purposes of this Act. The breakdown shall be as follows :

	1976-77
PUBLIC UTILITIES COMMISSION	
Personal Services	(4) \$50,964
All Other	5,121
Capital Expenditures	2,373
	\$58,458

STATEMENT OF FACT

This bill is the result of a study by the Public Utilities Committee on the need for regulation of sewer utilities and is supported by a minority of the committee. The background of this matter is set forth in the report of the committee. The bill would establish uniform regulation of such utilities by the Public Utilities Commission. Such utilities are now unregulated. This bill would be funded by an assessment on such utilities.