

MAINE STATE LEGISLATURE

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ONE HUNDRED AND EIGHTH LEGISLATURE

Legislative Document

No. 1008

H. P. 835

House of Representatives, March 15, 1977

On motion of Mr. Kelleher of Bangor referred to the Committee on Public Utilities. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. Valentine of York.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-SEVEN

**AN ACT Authorizing Control over the Electrical Rates Charged Maine
Consumers by Out-of-State Electrical Utilities.**

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

35 MRSA § 51-A is enacted to read:

§ 51-A. Approval of rates of out-of-state electrical utility

In approving the rates of any electric utility whose principal offices or generating facilities are located outside the State of Maine, the Public Utilities Commission shall consider the rates allowed a Maine electric utility serving customers in adjacent areas. When the commission deems that it is in the best interests of the people of Maine, it may use the adjacent electric utility's rates, adjusted where appropriate.

STATEMENT OF FACT

It is inefficient and largely ineffectual for the Maine commission to regulate an out-of-state electric utility company which generates power in a foreign state and is regulated by an out-of-state utilities commission. The Maine commission has little control of the costs involved or of the utility's operations. This split jurisdiction frustrates the Maine commission's regulatory responsibilities, is confusing and many times imposes an unfair burden upon the Maine customers of an out-of-state utility.

It can be expected that the Maine customers of an out-of-state utility will comprise only a small percentage of that utilities sales. If that utility does not

want to operate under the rate of return established as a result of the Maine commission's decision, it can then petition the Maine commission to turn over its Maine jurisdiction to a Maine utility.