MAINE STATE LEGISLATURE

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ONE HUNDRED AND EIGHTH LEGISLATURE

Legislative Document

No. 1314

H. P. 1090 House of Representatives, March 28, 1977 On motion of Mr. Kelleher of Bangor, referred to Committee on Public Utilities. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. Kelleher of Bangor. Cosponsor: Mr. Carey of Waterville.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED SEVENTY-SEVEN

AN ACT Prohibiting a Utility from Automatically Passing on Fuel Cost Increases to Customers by a Fuel Adjustment Clause.

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

Sec. 1. 35 MRSA § 131, as enacted by PL 1975, c. 489, § 1, is repealed.

Sec. 2. 35 MRSA § 132 is enacted to read:

§ 132. Fuel adjustment charges

The commission shall not permit any fuel cost increase incurred by a public utility to be charged to any utility customer, unless the utility has complied with the provisions of chapter 3, including the filing of a revised rate schedule under section 61.

STATEMENT OF FACT

This bill prohibits the Public Utilities Commission from allowing any utility to automatically pass onto its customers a fuel cost increase via a fuel adjustment clause. Under the bill, a utility desiring to increase its rates to account for fuel cost increases must file a revised rate schedule with the Public Utilities Commission, which can hold a public hearing on the matter and decide whether the fuel cost increases are justified or not.