

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

FIRST REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 1400

H. P. 1132

House of Representatives, March 21, 1979

On Motion of Mr. Davies of Orono, referred to the Committee on Public Utilities. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. D. Brown of Livermore Falls.

Cosponsors: Mr. Leighton of Harrison and Mr. Michael of Auburn.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-NINE

AN ACT to Permit Municipal Water Departments and Quasi-municipal Water Districts to Provide a Contingency Reserve.

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

35 MRSA c. 266 is enacted to read:

CHAPTER 266

RESERVE FUND FOR MUNICIPAL WATER DEPARTMENTS

AND QUASI-MUNICIPAL WATER DISTRICTS

§ 3311. Reserve fund

Notwithstanding any other provision of law or of any charter to the contrary, and in addition to any charter or private and special acts creating or effecting any municipal water department or quasi-municipal water district, the Public Utilities Commission shall, in setting rates, provide for a contingency reserve fund and make appropriate allowances in any rate proceedings for funding the reserve fund. This fund will be accrued by providing rates to reflect a 5% addition to yearly revenues over what is required to operate the utilities. The amount so allowed in the rates shall be segregated into a separate account and shall be

available for contingency construction, repairs or operation and maintenance expense. The contingency reserve shall not exceed 2% of the total value of the operating property account.

STATEMENT OF FACT

The purpose of this bill is to supply a small reserve to municipal water departments and quasi-municipal water districts to help alleviate critical situations.