

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND TENTH LEGISLATURE

Legislative Document

No. 526

H. P. 476

House of Representatives, January 29, 1981

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

EDWIN H. PERT, Clerk

Presented by Representative Huber of Falmouth.

Cosponsor: Representative Davies of Orono.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-ONE

AN ACT to Require the Public Utilities Commission to Consider Issues of Operational Efficiency in Rate Cases.

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

35 MRSA § 51, last sentence, as enacted by PL 1975, c. 409, is amended to read:

In determining just and reasonable rates, the commission ~~may~~ **shall** consider whether the utility is operating as efficiently as possible and is utilizing sound management practices.

STATEMENT OF FACT

Questions about the operational efficiency and management practices of public utilities have become a source of increasing consumer concern and frustration in recent years. With utility charges continually rising, the public resentment over paying for the costs of mistakes and mismanagement has grown.

Because of financial and time constraints, as well as internal priorities of the Public Utilities Commission, these issues have not received adequate consideration during deliberations on rate increase requests. This bill would require full consideration of these issues.