

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND ELEVENTH LEGISLATURE

Legislative Document

No. 958

H.P. 746

House of Representatives, March 2, 1983

Submitted by the Public Utilities Commission pursuant to Joint Rule 24.

On Motion of Representative Vose of Eastport referred to the Committee on Public Utilities. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Representative Joseph of Waterville.

Cosponsors: Representative Richard of Madison, Representative Bost of Orono and Senator Twitchell of Oxford.

STATE OF MAINE

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

AN ACT Relating to Deposits and
Termination of Utility Service for
Nonresidential Customers.

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

Sec. 1. 35 MRSA §105, as enacted by PL 1975, c. 378, is amended to read:

§105. Utility deposits

No public utility ~~shall~~ may require any deposit of any residential customer without proof that the customer is likely to be a credit risk or to damage the property of the utility. ~~Such~~ That proof shall be furnished to the customer upon request. Absence of previous experience with the utility shall not be proof that the customer is a credit risk or threatens to damage utility property.

1 The commission may adopt and promulgate reason-
2 able rules prescribing the circumstances and condi-
3 tions under which a utility may require a deposit for
4 utility service of any residential or nonresidential
5 customer. Any rules so adopted shall comply with
6 this section, as they may bear on residential custom-
7 ers.

8 Sec. 2. 35 MRSA §314, as amended by PL 1981, c.
9 415, is further amended to read:

10 §314. Termination of utility services

11 The Public Utilities Commission shall adopt and
12 promulgate reasonable regulations after hearing con-
13 cerning the termination or disconnection of any resi-
14 dential customer's service by an electric, gas, water
15 or telephone utility of the State. These regulations
16 shall apply generally to all such utilities within
17 the commission's jurisdiction and shall provide for
18 adequate written notice by such that utility to the
19 residential customer that his utility bill has not
20 been paid, and a notice of his prospective termina-
21 tion or disconnection and his right, prior to discon-
22 nection, to enter into reasonable installment payment
23 arrangements with such that utility company; to
24 settle any dispute concerning the proposed disconnec-
25 tion at an informal hearing with such that utility
26 company; and to appeal the results of such that util-
27 ity company's decision to the Public Utilities Com-
28 mission. The regulations shall also provide that
29 there may be no termination or disconnection during a
30 limited medical emergency and for a just and reason-
31 able procedure regarding reconnections of utility
32 service and deposit requirements.

33 The Public Utilities Commission may also adopt
34 and promulgate reasonable rules concerning the termi-
35 nation or disconnection of any nonresidential custom-
36 er's service by an electric, gas, water or telephone
37 utility.

38 The Public Utilities Commission shall adopt
39 reasonable regulations, after hearing, to provide for
40 a just and reasonable interest rate to be paid by the
41 utility on any deposit of any customer.

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STATEMENT OF FACT

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This bill authorizes the Public Utilities Commission to promulgate regulations prescribing when a utility may demand a deposit from or disconnect the service of a nonresidential customer. At the present time, commercial and industrial customers are not protected under the deposit restrictions in the Revised Statutes, Title 35, section 105, or the disconnection rules promulgated pursuant to the Revised Statutes, Title 35, section 314. Commission experience indicates that a uniform reasonable policy for the customers is needed.

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