

MAINE STATE LEGISLATURE

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1 FIRST REGULAR SESSION
2

3 ONE HUNDRED AND ELEVENTH LEGISLATURE
4

5 Legislative Document

No. 1021

6
7 S.P. 347

In Senate, March 4, 1983

8 Submitted by the Office of Public Advocate pursuant to Joint Rule 24.
9 Referred to the Committee on Public Utilities. Sent down for concurrence
and ordered printed.

10 JOY J. O'BRIEN, Secretary of the Senate

Presented by Senator Baldacci of Penobscot.

Cosponsors: Representative Bost of Orono, Representative Baker of
Portland and Representative Vose of Eastport.

11
12 STATE OF MAINE
13

14 IN THE YEAR OF OUR LORD
15 NINETEEN HUNDRED AND EIGHTY-THREE
16

17 AN ACT to Ensure Just and Reasonable Rates
18 for Utilities Regulated by the Public
19 Utilities Commission.
20

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

23 35 MRSA §51, as amended by PL 1975, c. 409, is
24 further amended to read:

25 §51. Safe facilities; just and reasonable rates

26 Every public utility is required to furnish safe,
27 reasonable and adequate facilities. The rate, toll or
28 charge, or any joint rate made, exacted, demanded or
29 collected by any public utility for the conveyance or
30 transportation of persons or property between points
31 within this State, or for any heat, light, water or
32 power produced, transmitted, delivered or furnished,
33 or for any telephone or telegraph message conveyed,

1 or for any service rendered or to be rendered in con-
2 nection with any public utility, shall be just and
3 reasonable. In determining just and reasonable rates,
4 the commission shall provide such revenues to the
5 utility as may be required to perform its public ser-
6 vice and to attract necessary capital on just and
7 reasonable terms. Every unjust or unreasonable charge
8 for such that service is prohibited and declared
9 unlawful. In determining just and reasonable rates,
10 the commission may consider whether the utility is
11 operating as efficiently as possible and is utilizing
12 sound management practices. If the commission deter-
13 mines that a utility is not operating as efficiently
14 as possible or is not utilizing sound management
15 practices, the commission, in determining just and
16 reasonable rates, may make an appropriate adjustment,
17 either individually or in combination, to the allowed
18 rate base, the allowed expenses, the allowed rate of
19 return or take any other appropriate action in estab-
20 lishing just and reasonable rates of the public util-
21 ity.

22 STATEMENT OF FACT

23 This bill explicitly authorizes the Public Utili-
24 ties Commission to adjust the rates of a public util-
25 ity if the utility is not operating as efficiently as
26 possible or is not utilizing sound management prac-
27 tices.

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