

MAINE STATE LEGISLATURE

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(EMERGENCY)
(New Draft of H.P. 1452, L.D. 1904)

SECOND REGULAR SESSION

ONE HUNDRED AND ELEVENTH LEGISLATURE

Legislative Document No. 2088

H.P. 1578 House of Representatives, February 16, 1984

Reported by Representative Baker from the Committee on Public Utilities and printed under Joint Rule 2. Original bill sponsored by Representative Baker of Portland. Cosponsored by Representative Handy of Lewiston, Representative Pouliot of Lewiston and Representative Brannigan of Portland.

EDWIN H. PERT, Clerk

STATE OF MAINE

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

**AN ACT to Authorize the Public Utilities
Commission to Return to Firm Customers the
Profits from Sales of Gas to Interruptible
Users.**

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the state's only natural gas distribution company received in 1983 an estimated \$310,633 in profits on the sales of gas to short-term interruptible customers; and

Whereas, the company has proposed in its rate increase request, now pending before the Public Utilities Commission, that these profits be returned to firm customers on an equal basis by means of its cost of gas adjustment, pursuant to the Revised Statutes,

1 Title 35, section 132 which treatment will result in
2 reduced monthly bills for all customers; and

3 Whereas, the company, commission staff and Public
4 Advocate are currently precluded from agreeing to
5 this treatment of interruptible profits by virtue of
6 the existing language of the Revised Statutes, Title
7 35, section 132; and

8 Whereas, the company is not expected to file an-
9 other request for an increase in rates before Novem-
10 ber 1984, at the earliest, pursuant to the Revised
11 Statutes, Title 35, section 64; and

12 Whereas, in the judgment of the Legislature,
13 these facts create an emergency within the meaning of
14 the Constitution of Maine and require the following
15 legislation as immediately necessary for the preser-
16 vation of the public peace, health and safety; now,
17 therefore,

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

20 35 MRSA §132, sub-§3, as enacted by PL 1981, c.
21 600, is amended to read:

22 3. Scope of adjustment. Changes in the cost of
23 gas purchased by the gas company for use in the State
24 shall constitute the only items subject to adjust-
25 ment, pursuant to regulations promulgated by the com-
26 mission under this section, provided that the commis-
27 sion may credit against the cost of gas any and all
28 profits received by the gas company from sales of gas
29 to interruptible customers to the extent that the
30 revenues exceed the actual costs of the interruptible
31 sales.

32 **Emergency clause.** In view of the emergency cited
33 in the preamble, this Act shall take effect when ap-
34 proved.

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STATEMENT OF FACT

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This change to the cost of gas adjustment statute for regulated gas utilities gives the commission discretion to ensure that the profits on sales of discounted gas to major industrial users will be flowed through the gas adjustment, thereby reducing fuel costs for all customers.

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