

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)

1 (EMERGENCY)
2 SECOND REGULAR SESSION
3

4 ONE HUNDRED AND TWELFTH LEGISLATURE
5

6 Legislative Document

No. 1840

7
8 S.P. 717

In Senate, January 15, 1986

9 Approved for introduction by a majority of the Legislative Council
10 pursuant to Joint Rule 26.

Referred to the Committee on Utilities and ordered printed.

JOY J. O'BRIEN, Secretary of the Senate

11 Presented by President Pray of Penobscot.

Cosponsored by Speaker Martin of Eagle Lake, Senator Violette of
Aroostook and Representative Cashman of Old Town.

12
13 STATE OF MAINE
14

15 IN THE YEAR OF OUR LORD
16 NINETEEN HUNDRED AND EIGHTY-SIX
17

18 AN ACT to Clarify the Rate Design Stability
19 Responsibilities of the Public
20 Utilities Commission.
21

22 Emergency preamble. Whereas, Acts of the Legis-
23 lature do not become effective until 90 days after
24 adjournment unless enacted as emergencies; and

25 Whereas, the current definition of rate stability
26 is vague and has created uncertainty and confusion in
27 interpreting legislative intent; and

28 Whereas, the vagueness of the current definition
29 may result in both protracted regulatory proceedings
30 and in increased intervention in regulatory proceed-
31 ings; and

32 Whereas, it is necessary that the vagueness of
33 the law be resolved in order to prevent unnecessary
34 regulatory proceedings and increased costs to rate
35 payers; and

1 Whereas, in the judgment of the Legislature,
2 these facts create an emergency within the meaning of
3 the Constitution of Maine and require the following
4 legislation as immediately necessary for the preser-
5 vation of the public peace, health and safety; now,
6 therefore,

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

9 Sec. 1. 35 MRSA §15, sub-§15-A, as enacted by PL
10 1985, c. 433, §2, is amended to read:

11 15-A. Rate design stability. "Rate design sta-
12 bility" ~~includes~~ means the implementation of
13 interclass cost allocation or intraclass rate design
14 changes to any existing customer class, of the magni-
15 tude or on such a schedule as to not be seriously ad-
16 verse to the existing class of customers.

17 Sec. 2. 35 MRSA §69, first ¶, as amended by PL
18 1985, c. 433, §3, is further amended to read:

19 §69. Public hearings to investigate proposed changes
20 in rates of public utilities; suspension pend-
21 ing hearing

22 Whenever the commission receives notice of any
23 change or changes proposed to be made in any schedule
24 of rates filed with said commission under the provi-
25 sions of law, it shall have power at any time before
26 the effective date of such change or changes, either
27 upon complaint or upon its own motion and after rea-
28 sonable notice, to hold a public hearing and make in-
29 vestigation as to the propriety of such proposed
30 change or changes. At any such hearing involving any
31 change or changes as above specified, the burden of
32 proof to show that such change is reasonable shall be
33 upon the public utility. After such hearing and in-
34 vestigation, the commission may make such order with
35 reference to any new rate, joint rate, fare, rental,
36 toll, classification, charge, rule, regulation or
37 form of contract or agreement proposed as would be
38 proper in a proceeding initiated upon complaint or
39 upon motion of the commission in any rate investiga-
40 tion. In implementing the order, the commission
41 shall assure rate design stability.

1 Sec. 3. 35 MRSA §94, sub-§1, as amended by PL
2 1985, c. 433, §4, is further amended to read:

3 1. Rate design and conservation improvements.

4 The Public Utilities Commission shall mandate, after
5 notice and hearing on the proposed schedule, a sched-
6 uled phasing-in of the improvements in electric utili-
7 ty rate design and related regulatory programs ap-
8 proved under section 93 and is authorized to order
9 utilities to develop and implement electric utility
10 rate design improvements approved by the commission
11 on temporary, pilot and experimental basis, affecting
12 either a portion or all of any class of consumers of
13 any utility as the commission may determine is appro-
14 priate to carry out the purposes of this Act, and order
15 other energy conservation techniques, programs
16 and innovations relating to electric public utility
17 service that, in the commission's judgment, are prac-
18 ticable, just and reasonably related to fulfilling
19 the purposes of this chapter. In ordering any rate
20 design improvements or any other programs for imple-
21 menting energy conservation techniques and innova-
22 tions referred to in section 93, the commission shall
23 ~~consider~~ assure rate design stability and shall as-
24 sure the revenue requirements of the utility.

25 Sec. 4. 35 MRSA §294, first ¶, as amended by PL
26 1985, c. 433, §5 and c. 481, Pt. C, §14, is repealed
27 and the following enacted in their place:

28 If upon such formal public hearing the rates,
29 tolls, charges, schedules or joint rates shall be
30 found to be unjust, unreasonable, insufficient or un-
31 justly discriminatory or otherwise in violation of
32 this Title, the commission shall have power to fix
33 and order substituted therefor such rate or rates,
34 tolls, charges or schedules as shall be just or rea-
35 sonable. If upon such public hearing it shall be
36 found that any regulation, measurement, practice, act
37 or service complained of is unjust, unreasonable, in-
38 sufficient or unjustly discriminatory or otherwise in
39 violation of any of the provisions of this Title or
40 if it is found that any service is inadequate or that
41 any reasonable service cannot be obtained, the com-
42 mission shall have power to establish and substitute
43 therefor such other regulations, measurements, prac-
44 tice, service or acts, and to make such order re-

