

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

NO. 379

H.P. 293 House of Representatives, February 18, 1987
Reference to the Committee on Utilities suggested and
ordered printed.

EDWIN H. PERT, Clerk
Presented by Representative VOSE of Eastport.
Cosponsored by Representative PARADIS of Old Town.

STATE OF MAINE

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

AN ACT to Extend the System Development
Charge Concept in Relation to Water
Districts.

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

35 MRSA §73-A, as enacted by PL 1985, c. 708, is
amended to read:

§73-A. System development charge

1. System development charge authorized. In ad-
dition to section 73, the governing body of a
consumer-owned electric utility, as defined in sec-
tion 75, municipal water department or quasi-muni-
cipal water district may establish and file, pursuant
to section 69 or 72, a system development charge

1 which is just and reasonable to provide funds to fi-
2 nance capital outlays for water system expansion
3 caused by an increase in demand for service.

4 2. Commission review. If a consumer-owned elec-
5 tric utility, municipal water department or quasi-mu-
6 nicipal water district elects to institute a system
7 development charge, it shall file the proposed charge
8 and a description of the basis of the charge with the
9 commission not less than 90 days before the effective
10 date of the charge. The commission shall investigate
11 the system development charge under section 296 to
12 determine whether it is just and reasonable.

13 3. Use of funds. The funds generated by the sys-
14 tem development charge shall be deposited into a spe-
15 cial account of the consumer-owned electric utility,
16 municipal water department or quasi-municipal water
17 district dedicated to finance capital outlays for wa-
18 ter system expansion caused by an increase in demand
19 for service. The funds from the special account shall
20 be used only for the purpose of financing the expan-
21 sion of the system and shall not be used for the re-
22 pair or replacement of existing facilities unless the
23 replacement is required as a result of increased de-
24 mand for service. The system development charge
25 shall not be treated as income of the consumer-owned
26 electric utility, municipal water department or qua-
27 si-municipal water district nor shall it be consid-
28 ered part of the rates established and filed pursuant
29 to section 73.

30 4. Assessment of charge. The system development
31 charge may be assessed upon all customers of the
32 consumer-owned electric utility, municipal water de-
33 partment or quasi-municipal water district that re-
34 quires new connections to the water system, excluding
35 fire service, as of or after the effective date of
36 that charge and upon all existing customers of the
37 consumer-owned electric utility, municipal water de-
38 partment or quasi-municipal water district who sub-
39 stantially expand their demand for water service as
40 of or after the effective date of that charge.

41 5. Water conservation programs. Before a system
42 development charge may be instituted, the
43 consumer-owned electric utility, the municipal water

1 department or quasi-municipal water district must re-
2 port to the commission its efforts in implementing
3 water conservation programs. The department or dis-
4 trict shall state what combination of system develop-
5 ment charges and new conservation programs will allow
6 the department or district to meet growing demand in
7 the least costly manner.

8 6. Review by elected local officials. If the
9 governing body of the consumer-owned electric utili-
10 ty, municipal water department or quasi-municipal wa-
11 ter district is not an elected body, any system de-
12 velopment charge proposed under this section must
13 first be endorsed by the municipal officers of the
14 municipality or municipalities involved, prior to
15 filing with the commission.

16

STATEMENT OF FACT

17 The purpose of this bill is to extend the system
18 development charge concept applied to water districts
19 to consumer-owned electric utilities on an optional
20 basis.

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