

MAINE STATE LEGISLATURE

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UTILITIES AND ENERGY

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
118TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 1591, L.D. 2220, "Resolve, Regarding Legislative Review of Chapter 301: Rules for Standard Offer Service, a Major Substantive Rule of the Public Utilities Commission"

Amend the resolve by striking out all of section 1 (page 1, lines 23 to 27 in L.D.) and inserting in its place the following:

'Sec. 1. Adoption with amendment. Resolved: That the final adoption of Chapter 301: Standard Offer Service, a provisionally adopted major substantive rule of the Public Utilities Commission, and submitted to the Legislature for review pursuant to the Maine Administrative Procedure Act, is authorized only if the rule is modified as follows.

1. An additional provision is inserted that provides that a transmission and distribution utility may recover through a rate case proceeding reasonable costs:

A. That are incurred by the transmission and distribution utility in providing standard offer service at the direction of the commission in the event of a default by the standard offer service provider; and

B. That are not covered by revenues received from standard offer customers or by the bond, letter of credit or corporate guarantee filed by the standard offer provider.

The Public Utilities Commission is not required to hold hearings or conduct other formal proceedings prior to finally adopting the rule in accordance with this resolve.'

COMMITTEE AMENDMENT

2 Further amend the resolve by inserting at the end before the
summary the following:

4
6 **FISCAL NOTE**

8 The Public Utilities Commission will incur some minor
additional costs to administer the selection of standard offer
10 providers. These costs can be absorbed within the commission's
existing budgeted resources.'

12
14 **SUMMARY**

16 This amendment authorizes the Public Utilities Commission to
finally adopt its standard offer rule, only if the rule is
18 amended to provide that transmission and distribution utilities
are held harmless for prudently incurred costs associated with
20 being required to provide standard offer service in the event of
a default by a standard offer service provider.