MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 1194

S.P. 405

In Senate, February 11, 1999

An Act to Expand the Basic Service Calling Area in Certain Rural Areas.

Reference to the Committee on Utilities and Energy suggested and ordered printed.

JOY J. O'BRIEN Secretary of the Senate

Presented by Senator LONGLEY of Waldo. Cosponsored by Senators: BENOIT of Franklin, PARADIS of Aroostook, Representatives: BERRY of Belmont, LaVERDIERE of Wilton, THOMPSON of Naples.

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

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Sec. 1. 35-A MRSA §7303-A is enacted to read:

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§7303-A. Basic service calling areas

Customers of a local exchange carrier who receive local, flat-rate, basic service within a single exchange area may petition the commission to expand their basic service calling area. Upon written petition by 5 or more such customers of a local exchange provider, the commission shall open a proceeding to expand the basic service calling area. The commission shall hold at least one public hearing. The commission, within 4 months of the filing of the written petition, shall issue an order establishing an expanded basic service calling area for the area served by the petitioning customers. The commission's order must direct the carrier to file within one year a financial report on the costs of expanding the basic service calling area. Upon receipt of the carrier's filing, the commission shall conduct an investigation to determine the costs, if any, attributable to the expansion. The commission may only allow recovery of these costs if the carrier demonstrates that nonrecovery of the costs will result in the carrier earning less than a reasonable rate of return.

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SUMMARY

This bill requires the Public Utilities Commission, on petition, to expand a basic service calling area that encompasses only a single exchange. The commission may permit the carrier who is required to expand a basic service calling area to recover any associated costs only if the commission determines that nonrecovery of the costs would result in the carrier earning less than a reasonable rate of return.