

MAINE STATE LEGISLATURE

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UTILITIES AND ENERGY

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
120TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 849, L.D. 1121, Bill, "An Act to Allow Flexibility in Regulation of Telephone Utilities"

Amend the bill by striking out everything after the enacting clause and before the summary and inserting in its place the following:

Sec. 1. 35-A MRSA §120, sub-§§3 and 4, as enacted by PL 1999, c. 584, §1, are amended to read:

3. Regional issues. The commission's efforts undertaken in accordance with its authority under this Title to promote and protect consumer interests through participation in and presentations before regional entities and federal agencies with jurisdiction over regional marketplaces that affect the State's consumers. The commission must provide an assessment of staffing requirements to undertake these responsibilities; and

4. Rural issues. The commission's efforts undertaken in accordance with its authority under this Title to ensure that rural areas of this State are not disadvantaged as utility industries are restructured and competitive markets developed. The commission shall identify any rural issues that it has determined may require legislative action; and

Sec. 2. 35-A MRSA §120, sub-§5 is enacted to read:

COMMITTEE AMENDMENT

5. Telephone exemptions. The commission's activities undertaken pursuant to its authority to grant exemptions to telephone utilities from certain portions of this Title.

Sec. 3. 35-A MRSA §307-A, first ¶, as enacted by PL 1997, c. 276, §1 and affected by §4, is amended to read:

The commission may adopt by rule standards and procedures for granting exemptions from all or specified portions of ~~section~~ sections 304 and 307 and for suspending its powers of suspension and investigation under section 310 with respect to a telephone utility, a specified group of telephone utilities or specified services offered by one or a group of telephone utilities. Any determination granting an exemption or suspension pursuant to the rule must be accompanied by a finding that the exemption or suspension will not have a negative impact on competitive markets for the specified services, that the utility or group of utilities does not exercise significant power over pricing in the markets for the specified services and that the determination will not result in unjust or unreasonable rates for any customers in the markets for those services. The commission may limit its determination to specific geographic areas. A utility whose rates or terms and conditions are subject to a determination made pursuant to a rule adopted under this section remains subject to other applicable provisions of this Title and commission rules.

Sec. 4. 35-A MRSA §507 is enacted to read:

§507. Exemption for certain telephone utilities

The commission may adopt by rule standards and procedures for granting exemptions to a telephone utility or a specified group of telephone utilities from all or specified portions of section 504. Any exemption granted pursuant to the rule must be accompanied by a finding that the exemption is in the public interest and will not have a negative impact on competitive markets for telephone services. The commission may limit an exemption to specific geographic areas. A utility granted an exemption pursuant to a rule adopted under this section remains subject to other applicable provisions of this Title and commission rules.

For good cause, as defined by the commission by rule, the commission may revoke any exemption granted pursuant to this section. A revocation may be in whole or in part and may be specific to a single telephone utility or a single utility service.

Rules adopted pursuant to this section are routine technical rules as defined in Title 5, chapter 375, subchapter II-A.

2 **Sec. 5. 35-A MRSA §912, first ¶**, as enacted by PL 1997, c. 276,
§2 and affected by §4, is amended to read:

4 The commission may adopt by rule standards and procedures
6 for granting exemptions to a telephone utility or a specified
7 group of telephone utilities from all or specified portions of
8 this chapter. Any exemption granted pursuant to the rule must be
9 accompanied by a finding that the ~~application of this chapter or~~
10 ~~portions of this chapter to the telephone utility or group of~~
11 ~~telephone utilities will not further~~ exemption is in the public
12 interest and will not have a negative impact on competitive
13 markets for telephone services. The commission may limit an
14 exemption to specific geographic areas. A utility granted an
15 exemption pursuant to a rule adopted under this section remains
16 subject to other applicable provisions of this Title and
commission rules.

18 **Sec. 6. 35-A MRSA §1105, first ¶**, as enacted by PL 1997, c.
20 276, §3 and affected by §4, is amended to read:

22 The commission may adopt by rule standards and procedures
23 for granting exemptions to a telephone utility or a specified
24 group of telephone utilities from all or specified portions of
25 this chapter. Any exemption granted pursuant to the rule must be
26 accompanied by a finding that the ~~application of this chapter or~~
27 ~~portions of this chapter to the telephone utility or group of~~
28 ~~telephone utilities will not further~~ exemption is in the public
29 interest and will not have a negative impact on competitive
30 markets for telephone services. The commission may limit an
31 exemption to specific geographic areas. A utility granted an
32 exemption pursuant to a rule adopted under this section remains
33 subject to other applicable provisions of this Title and
34 commission rules.'

36 Further amend the bill by inserting at the end before the
summary the following:

38 **FISCAL NOTE**

40 The Public Utilities Commission will incur some minor
41 additional costs to adopt standards and procedures for granting
42 exemptions by rule. These costs can be absorbed within the
43 commission's existing budgeted resources.'

46 **SUMMARY**

48 This amendment replaces the bill and accomplishes the
50 following:

COMMITTEE AMENDMENT "A" to H.P. 849, L.D. 1121

2 1. It leaves in place provisions of law that authorize the
4 Public Utilities Commission to grant exemptions to telephone
6 utilities from the Maine Revised Statutes, Title 35-A, sections
8 307 and 310 and chapters 9 and 11 but modifies the provisions to
make clear that the commission, before granting exemptions, must
find that granting the exemptions will not have a negative impact
on competition;

10 2. It provides additional authority to the Public Utilities
12 Commission to grant exemptions from Title 35-A, sections 304 and
504, provided similar findings are made;

14 3. It requires the commission to report annually to the
16 Joint Standing Committee on Utilities and Energy on its
18 activities in granting exemptions to telephone utilities from
provisions of law; and

4. It also adds a fiscal note to the bill.