

MAINE STATE LEGISLATURE

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120th MAINE LEGISLATURE

FIRST REGULAR SESSION-2001

Legislative Document

No. 1297

H.P. 973

House of Representatives, February 28, 2001

An Act to Ensure Proper Funding of the Public Utilities Commission.

(EMERGENCY)

Submitted by the Public Utilities Commission pursuant to Joint Rule 204.
Reference to the Committee on Utilities and Energy suggested and ordered printed.

Millicent M. MacFarland

MILLICENT M. MacFARLAND, Clerk

Presented by Representative SAVAGE of Buxton.

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, it is necessary that the Public Utilities Commission have sufficient funds to carry out its statutory obligations; and

Whereas, wholesale electricity markets are currently unsettled regionally and nationally, and electricity market rules and federal telecommunications rules are being developed and will significantly impact the overall prices that Maine's electricity and telephone consumers pay; and

Whereas, during fiscal year 2000-01, the Public Utilities Commission must maintain its ongoing responsibilities while continuing to participate in regional and national activities that will impact Maine's consumers; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. 35-A MRSA §116, sub-§1, as amended by PL 1999, c. 398, Pt. C, §1, is further amended to read:

1. Utilities subject to assessments. Every transmission and distribution, gas, telephone and water utility and ferry subject to regulation by the commission is subject to an assessment on its intrastate gross operating revenues to produce no more than \$4,918,000 in revenues annually. The commission shall increase the assessment to produce an additional \$318,000 during fiscal year 2001-02 and an additional \$587,000 during fiscal year 2002-03. The commission shall assess transmission and distribution utilities at a rate sufficient to produce \$3,370,000 and shall assess all other utilities at a rate sufficient to produce \$1,548,000. The commission shall increase the assessment of transmission and distribution utilities to produce an additional \$218,000 during fiscal year 2001-02 and an additional \$402,000 during fiscal year 2002-03. The commission shall increase the assessment of all other utilities to produce an additional \$100,000 during fiscal year 2001-02 and an additional \$185,000 during fiscal year 2002-03. The commission shall determine the assessments annually prior to May 1st and assess each utility for its pro rata share for expenditure during the fiscal year beginning July 1st. Each utility shall pay the

assessment charged to the utility on or before July 1st of each year. Any increase in the assessment that becomes effective subsequent to May 1st may be billed on the effective date of the act authorizing the increase.

A. The assessments charged to utilities under this section are just and reasonable operating costs for rate-making purposes.

B. For the purposes of this section, "intrastate gross operating revenues" means intrastate revenues derived from filed rates, except revenues derived from sales for resale.

C. Gas utilities subject to the jurisdiction of the commission solely with respect to safety are not subject to any assessment.

D. The commission may correct any errors in the assessments by means of a credit or debit to the following year's assessment rather than reassessing all utilities in the current year.

E. The commission may exempt utilities with annual intrastate gross operating revenues under \$50,000 from assessments under this section.

Sec. 2. Use of unexpended funds. Notwithstanding the Maine Revised Statutes, Title 35-A, section 116, subsection 5, the Public Utilities Commission may expend in fiscal year 2001-02 and fiscal year 2002-03, for the purposes specified in Title 35-A, section 116, subsection 4, 100% of any unexpended funds remaining at the end of the prior fiscal year. Treatment of funds not expended at the end of fiscal year 2002-03 is governed by Title 35-A, section 116, subsection 5.

Sec. 3. Allocation. The following funds are allocated from Other Special Revenue funds to carry out the purposes of this Act.

2000-01

PUBLIC UTILITIES COMMISSION

Public Utilities Commission Regulatory Fund

Personal Services	(\$300,000)
All Other	300,000

Transfers unexpended funds allocated for personnel salary to All Other account.

2 **PUBLIC UTILITIES COMMISSION**
3 **TOTAL**

_____ \$0

4

5 **Emergency clause.** In view of the emergency cited in the
6 preamble, this Act takes effect when approved.

8

9 **SUMMARY**

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11 This bill authorizes the Public Utilities Commission to
12 release funds designated for salaries and use them for other
13 commission expenses and to make all funds that were budgeted but
14 unused in fiscal year 2000-01 available for use in the subsequent
15 2 fiscal years. This bill allows the commission to maintain all
16 of its ongoing responsibilities, including protecting Maine's
17 consumers in regional and national proceedings. The bill also
18 increases the public utilities assessment for fiscal years
2001-02 and 2002-03.