

MAINE STATE LEGISLATURE

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SMG
R. G. B.

Date: 3/8/10

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UTILITIES AND ENERGY

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
124TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 1173, L.D. 1645, Bill, "An Act To Streamline Collections for Consumer-owned Consolidated Water and Wastewater Utilities"

Amend the bill by inserting after the title and before the enacting clause the following:

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

Whereas, to protect the public peace, health and safety and to address the financial needs of combined water and sewer districts, procedures governing the disconnection of water service for nonpayment of sewer service must be established as soon as possible; 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,'

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

'Sec. 1. 35-A MRSA §6111-C is enacted to read:

§6111-C. Disconnection of water service for nonpayment of sewer services

Except as provided in subsection 4, this section applies to any consumer-owned water utility that is authorized to provide sewer services, notwithstanding any provision in its charter. Notwithstanding any other provision of law, in the event a user of the consumer-owned water utility's sewer system fails within a reasonable time to pay the utility's rates, fees or charges for sewer service, the utility may disconnect water service to the user, as long as the disconnection is accomplished in accordance with procedures established in applicable law or rules governing disconnection of utility services and terms and conditions approved by the commission. In order to exercise this authority, the utility

COMMITTEE AMENDMENT

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must apply to the commission and the commission must approve terms and conditions consistent with the requirements of this section.

1. Annual filings. The terms and conditions under this section must include a requirement that the consumer-owned water utility annually file with the commission a report that includes:

A. The total number of each of the following over the preceding 12 months:

- (1) Disconnection notices issued;
- (2) Disconnections completed; and
- (3) Reconnections of disconnections; and

B. The reason for each disconnection.

2. Assistance program information. The terms and conditions under this section must include a requirement that the consumer-owned water utility provide to customers to whom the utility sends disconnection notices information about available assistance programs, including programs that offer assistance in paying for sewer or water service, ~~programs that offer assistance in paying for other utility services or in paying for heating fuel or similar assistance programs that could provide sufficient support to the customer to allow the customer to pay the utility's rates, fees or charges for sewer service.~~

3. Limitations. The terms and conditions under this section must prohibit:

A. A disconnection based solely on a customer's nonpayment of a fee or charge for estimated sewer service usage; and

B. A disconnection of a multiunit rental facility greater than 2 units unless the owner of the facility occupies a unit that would be subject to the disconnection.

4. Exception. Subsection 3, paragraph B does not apply to a consumer-owned water utility that has authority pursuant to its charter to disconnect water service in the event a user of the consumer-owned water utility's sewer system fails to pay the utility's rates, fees or charges for sewer service, provided the charter provision establishing that authority was enacted prior to August 1, 2010.

Sec. 2. Report. The Public Utilities Commission shall provide a report to the joint standing committee of the Legislature having jurisdiction over utilities and energy matters by January 15, 2012 that includes the information submitted by consumer-owned water utilities authorized to provide sewer services, pursuant to the terms and conditions required under the Maine Revised Statutes, Title 35-A, section 6111-C as well as information on customer complaints to the commission regarding actions taken by utilities pursuant to Title 35-A, section 6111-C and any recommendations by the commission with regard to changes to Title 35-A, section 6111-C or other actions to address any issues identified by the commission.'

Amend the bill by adding before the summary the following:

'Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.'

SUMMARY

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2 This amendment imposes specific terms and conditions on any consumer-owned
3 water utility authorized to provide sewer services that chooses to exercise the authority
4 granted in the bill to disconnect water service for nonpayment of sewer service. The
5 terms and conditions include requiring annual reports to the Public Utilities Commission
6 regarding disconnections, requiring that the utility provide to the customer certain
7 information about available assistance programs, prohibiting disconnection based on bills
8 for estimated sewer usage and prohibiting disconnection of multiunit rental facilities
9 greater than 2 units unless the owner occupies one of the units. A utility that has the
10 disconnection authority under a charter provision enacted prior to August 1, 2010 is
11 exempted from the prohibition relating to disconnection of multiunit rental facilities. The
12 amendment requires the Public Utilities Commission to report to the joint standing
13 committee of the Legislature having jurisdiction over utilities and energy matters by
14 January 15, 2012 on disconnection actions taken by utilities as well as any commission
15 recommendations for changes to the law. The amendment clarifies that its provisions
16 apply to all combined water and sewer entities, including those that may already have
17 similar authority in their charters. The amendment also adds an emergency preamble and
18 emergency clause to the bill.

19 **FISCAL NOTE REQUIRED**

20 (See attached)



Approved: 03/01/10 *MAC*

124th MAINE LEGISLATURE

LD 1645

LR 2252(02)

An Act To Streamline Collections for Consumer-owned Consolidated Water and Wastewater Utilities

Fiscal Note for Bill as Amended by Committee Amendment "A"

Committee: Utilities and Energy

Fiscal Note Required: Yes

Fiscal Note

Minor cost increase - Other Special Revenue Funds

Fiscal Detail and Notes

Requiring the Public Utilities Commission (PUC) to approve terms and conditions for the disconnection of water/sewer services, to receive and process annual utility reports, and to report to the Joint Standing Committee on Utilities and Energy will cause the PUC to incur minor costs that can be absorbed within existing budgeted resources.