

MAINE STATE LEGISLATURE

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Date: 4/27/11

L.D. 1191

(Filing No. H-127)

ENERGY, UTILITIES AND TECHNOLOGY

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
125TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 882, L.D. 1191, Bill, "An Act To Encourage Business Development by Limiting the Time a Utility May Hold a Business Customer's Deposit"

Amend the bill by striking out the title and substituting the following:

'Resolve, To Encourage Business Development by Creating Limits on the Time Certain Utilities May Hold a Business Customer's Deposit'

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

'Sec. 1. Rules on business customers' deposits. Resolved: That the Public Utilities Commission shall amend its rule, Chapter 815: Consumer Protection Standards For Electric And Gas Transmission And Distribution Utilities, to require that deposits paid by small businesses with impeccable bill-paying histories be returned to those businesses after a reasonable time period. The commission may consider establishing different rules for different-sized utilities to account for differences in the risk to other ratepayers associated with defaults by businesses. The commission may consider basing eligibility for return of a deposit on the size of the deposit that was required of the business, such as a business whose deposit was less than \$10,000. The commission shall establish a reasonable time period, such as 5 years, before a business is eligible for a return of the deposit. Rules adopted pursuant to this section are major substantive rules pursuant to the Maine Revised Statutes, Title 5, chapter 375, subchapter 2-A and must be provisionally adopted by January 15, 2012.'

SUMMARY

This amendment replaces the bill with a resolve that directs the Public Utilities Commission to amend its rules to require that deposits paid by small businesses with impeccable bill-paying histories be returned to those businesses after a reasonable time period. The commission may consider establishing different rules for different-sized utilities to account for differences in the risk to ratepayers associated with defaults by

COMMITTEE AMENDMENT

R. 48.

COMMITTEE AMENDMENT "A" to H.P. 882, L.D. 1191

1 businesses. The commission may consider basing eligibility for return of a deposit on the
2 size of the deposit that was required of the business, such as a business whose deposit
3 was less than \$10,000. The commission is directed to establish a reasonable time period,
4 such as 5 years, before a business is eligible for a return of the deposit. Rules adopted
5 pursuant to this resolve are major substantive rules pursuant to the Maine Revised
6 Statutes, Title 5, chapter 375, subchapter 2-A and must be provisionally adopted by
7 January 15, 2012.

8 **FISCAL NOTE REQUIRED**

9 (See attached)

COMMITTEE AMENDMENT



Approved: 04/19/11 *mac*

125th MAINE LEGISLATURE

LD 1191

LR 615(02)

An Act To Encourage Business Development by Limiting the Time a Utility May Hold a Business Customer's Deposit

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

Committee: Energy, Utilities and Technology

Fiscal Note Required: Yes

Fiscal Note

Minor cost increase - Other Special Revenue Funds

Fiscal Detail and Notes

Additional costs to the Public Utilities Commission for rulemaking to adopt major substantive rules to require that utilities return deposits to certain businesses within a given period of time can be absorbed within existing budgeted resources.