

MAINE STATE LEGISLATURE

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L.D. 660

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Date: 5/22/15

(Filing No. H- 189)

ENERGY, UTILITIES AND TECHNOLOGY

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
127TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 441, L.D. 660, Bill, "An Act To Protect Homeowners from Damage in the Event of a Failure of Public Water Systems"

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

Sec. 1. 35-A MRSA §6112, sub-§1, ¶¶A and B, as enacted by PL 2003, c. 529, §2, are amended to read:

A. For a utility with total annual revenues up to \$85,000, an amount up to ~~40%~~ 12% of the revenues required to operate the utility; and

B. For a utility with total annual revenues in excess of \$85,000, an amount up to ~~5%~~ 7% of the revenues required to operate the utility.

Sec. 2. 35-A MRSA §6112, sub-§3-A, as enacted by PL 2003, c. 529, §2, is repealed.

Sec. 3. 35-A MRSA §6112, sub-§3-B is enacted to read:

3-B. Authorized uses; commission review. A consumer-owned water utility may expend amounts collected pursuant to this section for purposes allowed under other provisions of this Title and to reimburse consumers in the event of a water system failure that causes damage to the consumer's property. Any expenditures from amounts collected pursuant to this section are subject to review by the commission in accordance with this Title.

This subsection may not be construed to waive any immunity or limitation on damages available to consumer-owned water utilities that exists under the Maine Tort Claims Act, any other statute or the common law.'

SUMMARY

This amendment replaces the bill, which establishes a homeowner protection fund, and enables contingency allowance funds to be used to reimburse a consumer in the event

COMMITTEE AMENDMENT

ROFS

COMMITTEE AMENDMENT "A" to H.P. 441, L.D. 660

1 of a water system failure that causes damage to the consumer's property. This
2 amendment clarifies that the use of contingency funds by a consumer-owned water utility
3 does not waive a utility's immunities or limitations on damages that exist under the Maine
4 Tort Claims Act, any other statute or the common law. This amendment also increases the
5 annual contingency allowance from 10% to 12% for a utility with annual revenues up to
6 \$85,000 and from 5% to 7% for a utility with total annual revenues in excess of \$85,000.

FISCAL NOTE REQUIRED
(See attached)



Approved: 05/18/15 *MAC*

127th MAINE LEGISLATURE

LD 660

LR 1551(02)

An Act To Protect Homeowners from Damage in the Event of a Failure of Public Water Systems

Fiscal Note for Bill as Amended by Committee Amendment

A(H-189)

Committee: Energy, Utilities and Technology

Fiscal Note Required: Yes

Fiscal Note

Minor cost increase - Other Special Revenue Funds

Fiscal Detail and Notes

Any additional costs to the Public Utilities Commission (PUC) from allowing the PUC to review certain expenditures from consumer-owned water utilities are expected to be minor and can be absorbed within existing budgeted resources.