

MAINE STATE LEGISLATURE

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ENERGY, UTILITIES AND TECHNOLOGY

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**STATE OF MAINE
SENATE
129TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to S.P. 495, L.D. 1560, Bill, "An Act Regarding Utility Reorganizations"

Amend the bill by striking out all of section 1 and inserting the following:

Sec. 1. 35-A MRSA §708, sub-§1-A is enacted to read:

1-A. Legislative findings. The Legislature finds it is in the public interest to ensure that a reorganization of a public utility that would result in the transfer of ownership and control of a public utility or the parent company of a public utility serves the interest of the utility's ratepayers.

Amend the bill in section 2 in subsection 2 in paragraph A by striking out all of the first paragraph (page 1, lines 17 to 28 in L.D.) and inserting the following:

'A. Unless exempted by rule or order of the commission, ~~no~~ a reorganization may not take place without the approval of the commission. ~~No~~ A reorganization may not be approved by the commission unless it is established by the applicant for approval that the reorganization is consistent with the interests of the utility's ratepayers and investors. If a reorganization would result in the transfer of ownership and control of a public utility or the parent company of a public utility, a reorganization may not be approved by the commission unless it is established by the applicant for approval that the reorganization provides net benefits to the utility's ratepayers. The commission shall rule upon all requests for approval of a reorganization within 60 days of the filing of the request for approval. If it determines that the necessary investigation cannot be concluded within 60 days, the commission may extend the period for a further period of no more than 120 days. In granting its approval, the commission shall impose such terms, conditions or requirements as, in its judgment, are necessary to protect the interests of ratepayers. These conditions ~~shall~~ must include provisions ~~which assure~~ that ensure the following:'

Amend the bill in section 2 in subsection 2 in paragraph A by striking out all of subparagraph (9) (page 2, lines 16 and 17 in L.D.) and inserting the following:

COMMITTEE AMENDMENT

1 '(9) That neither ratepayers nor investors are adversely affected by the
2 reorganization, and if the reorganization would result in the transfer of ownership
3 and control of a public utility or the parent company of a public utility, that the
4 reorganization provides net benefits to the utility's ratepayers.'

5 Amend the bill in section 2 in subsection 2 in paragraph C in the first line (page 2,
6 line 24 in L.D.) by inserting after the following: "reorganization" the following: 'that
7 would result in the transfer of ownership and control of a public utility or the parent
8 company of a public utility'

9 Amend the bill by relettering or renumbering any nonconsecutive Part letter or
10 section number to read consecutively.

11 **SUMMARY**

12 This amendment limits the application of the requirement in the bill that there be net
13 benefits to ratepayers under a reorganization to only those reorganizations that involve
14 transfer of ownership and control of a public utility or the parent company of a public
15 utility, rather than all reorganizations.

FISCAL NOTE REQUIRED
(See attached)

COMMITTEE AMENDMENT



129th MAINE LEGISLATURE

LD 1560

LR 2306(02)

An Act Regarding Utility Reorganizations

Fiscal Note for Bill as Amended by Committee Amendment "A" (5-192)
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) as a result of changes to the rules regarding the criteria for PUC approval of a utility reorganization are anticipated to be minor and can be absorbed within existing budgeted resources.