

MAINE STATE LEGISLATURE

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NEW DRAFT "B" of: S. P. 167—L. D. 364

N I N E T Y - S E V E N T H L E G I S L A T U R E

Legislative Document

No. 1505

S. P. 556

In Senate, April 27, 1955

Reported by 5 members from the Committee on Public Utilities and printed under Joint Rules No. 10.

CHESTER T. WINSLOW, Secretary

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
FIFTY-FIVE

AN ACT Relating to Valuation of Property of Public Utilities for Fixing Rates.

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

R. S., c. 44, § 18, repealed and replaced. Section 18 of chapter 44 of the revised statutes is hereby repealed and the following enacted in place thereof:

‘Sec. 18. Valuation of property made for fixing rates. In determining reasonable and just rates, tolls and charges, the Commission shall fix a reasonable value upon all the property of any public utility used or required to be used in its service to the public within the State and a fair return thereon. In fixing such reasonable value, the Commission shall give due consideration to evidence of any factor material or relevant thereto, including the cost of the property when first devoted to public use, prudent acquisition cost to the utility, less depreciation on each, and the current value of the property; but no one factor shall be conclusive. For the purposes of this section “cost” shall mean actual money cost or the then market value of any consideration other than money; “prudent acquisition cost” shall mean the reasonable cost under the circumstances at the time of acquisition; and “current value” shall mean the net value of the property of the utility used or required to be used in its service to the public and shall be determined by deducting reasonable allowances for depreciation and obsolescence from the cost to construct such property at the time of valuation. In making such valuation, the Commission may avail itself of any reports, records or other information available to it in the office of any State officer, Board or Commission.’