MAINE STATE LEGISLATURE

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STATE OF MAINE ONE HUNDRED AND ELEVENTH LEGISLATURE FIRST REGULAR SESSION

JOINT STANDING COMMITTEE ON Public Utilities

BILL SUMMARY



JULY, 1983

Prepared by:

Haven Whiteside, Legislative Assistant Public Utilities Committee

Office of Legislative Assistants State House, Station 13 Augusta, Maine 04333 (207) 289-2486 1019 AN ACT TO PERMIT THE PUBLIC UTILI - Kany ENACT. PL 213
TIES COMMISSION TO AUTHORIZE A Carpenter
MANAGEMENT AUDIT OF A PUBLIC UTILITY Kelleher
McGowan
(for PA)

SUMMARY: Authorizes PUC to require a management audit of a utility by the PUC staff or an independent auditor, with special emphasis on: planning of construction, efficient operations, and avoidance of increased costs. Costs of an independent auditor would be paid by the utility. PUC could order implementation of the recommendations.

Committee Amendment "A" (S-56) Deletes from the bill the option of the Public Utilities Commission doing a management audit itself. It also makes it clear that the cost of the management audit shall be included in the rates.

1020 AN ACT TO PROTECT ALL CUSTOMERS Baldacci LV/WD FROM UNJUST TERMINATION OF Bost UTILITY SERVICES Vose Kany (for PA)

SUMMARY: Would have required PUC to adopt reasonable regulations for utility deposits and for termination of service for all customers, not just residential customers as at present. (See LD 958)

1021 AN ACT TO ENSURE JUST AND REASCNABLE RATES FOR UTILITIES
Bost
REGULATED BY THE PUBLIC UTILIBaker
TIES COMMISSION
Vose
(for PA)

SUMMARY: Would have specifically authorized PUC to reduce the rates accordingly for any public utility that is not operated as efficiently as possible or managed soundly.

1042 AN ACT TO FAIRLY APPORTION THE Baker OTP-ND COST OF CANCELLED GENERATING Kany (LD 1496) FACILITIES (for PA)

SUMMARY: Would authorize PUC to allocate equitably between the stockholders and the ratepayers, the cost of any cancelled plant in which a utility is involved, to the extent that the utility acted prudently and reasonably. Collection from the ratepayers would be spread over the years the plant would have been operating. But, "Allowance for funds used during construction" (AFUDC), that is the interest on money borrowed during the construction period, would be paid entirely by the stockholders.