

# STATE OF MAINE

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### ONE HUNDRED AND TWELFTH LEGISLATURE FIRST REGULAR SESSION

## JOINT STANDING COMMITTEE ON

### UTILITIES

BILL SUMMARY



JULY, 1985

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JOINT STANDING COMMITTEE BILL SUMMARIES JULY 1985

This document is a compilation of the bill summaries prepared by this office for the Joint Standing Committees of the Maine Legislature, covering the First Regular Session of the ll2th Legislature. The summaries are arranged by LD number and indexed separately by committee. LD: 1011 AN ACT TO MAINTAIN UNIVERSAL TELEPHONE EMERGENCY SERVICE BALDACCI HICHENS

LV-WD

HOUSE Accepted Committee Report SENATE Accepted Committee Report

SUMMARY :

ND :

The bill requires flat rate service with unlimited local calling as the standard service. Optional local measured service can be offered at lower cost if that does not prevent the flat rates from being reasonably affordable. Non-traffic sensitive costs shall be allocated to local, long distance and other services in proportion to their benefits from the use of common facilities.

This is one of nine bills withdrawn in favor of committee and PUC study. The others are: LD244, LD582, LD629, LD977, LD1012, LD1167, LD1257, LD1272. The Joint Standing Committee on Utilities was authorized to conduct a 6- month study of local telephone rate-setting policies, and will introduce legislation in 1986 if that is necessary. Some of the guestions to be answered in the study are:

-Do Maine people want Local Measured Service? -Is local service being asked to pay more than its fair share of telephone costs? Less?

-What would be the impact of Local Measured Service on various groups of users, including : low-income, elderly, handicapped, families, remote areas, small businesses, and volunteers?

-What other options are there for pricing local telephone service?

-What would be the impact of Local Measured Service or any other pricing option on universal service-- which is a State goal.

-Are the costs of measuring and billing for LMS greater than the benefits?

-What is the actual cost to the system of an added phone call on-peak? Off-peak?

-Would LMS increase the revenues of the telephone company? The legislative study will consist of three parts: attendance at public hearings which will be held by the PUC in the affected areas; review of a staff report to be

prepared by the PUC based on thirty questions from the Committee; and recommendations for legislative policy from the Committee to the Legislature in early 1986. In the meantime, the PUC has delayed the effective date of LMS until Feb 15, 1986 in order to allow further review before implementation.