

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
ONE HUNDRED AND TWELFTH LEGISLATURE  
FIRST REGULAR SESSION

JOINT STANDING COMMITTEE ON  
UTILITIES  
BILL SUMMARY



JULY, 1985

Prepared by:

Haven Whiteside, Legislative Assistant  
Office of Legislative Assistants  
State House, Station 13      Augusta, Maine 04333  
(207) 289-1670



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STATE OF MAINE  
OFFICE OF LEGISLATIVE ASSISTANTS  
ROOM 101  
STATE HOUSE, STATION 13  
AUGUSTA, MAINE 04333  
TEL.: (207) 289-2486

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ONE HUNDRED AND TWELFTH LEGISLATURE  
FIRST REGULAR SESSION

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 112th Legislature. The summaries are arranged by LD number and indexed separately by committee.

LD: 1499 AN ACT TO SIMPLIFY AND CLARIFY THE PUBLIC UTILITIES COMMISSION'S AUTHORITY OVER UTILITY ISSUANCE OF STOCKS, BONDS AND NOTES BALDACCI RICHARD PARADIS E WEYMOUTH

ND: 334

HOUSE Enacted  
SENATE Enacted  
GOV SIGNED

PUBLIC  
CH # 241

SUMMARY: This new draft of LD 334 retains the present statutory standard for a determination by the PUC on approval of a stock or bond issue, while retaining from the bill the expanded list of factors to be considered. The new draft contains a broad range of factors to be considered, but no standard for the decision. It deletes from the bill the requirement that PUC specify all the purposes for which the proceeds of the financing may be used. It provides for expedited treatment of financings by the PUC. It legally validates utility stocks and bonds which have been approved by the PUC upon their issuance. And, it repeals an obsolete section applying to railroads.

LD: 1506 AN ACT TO REGULATE RECOVERY OF COSTS OF CANCELED ABANDONED ELECTRIC GENERATING FACILITIES ANDREWS BROWN A BAKER H USHER

ND:

OTP-AM

HOUSE Enacted  
SENATE Enacted  
GOV SIGNED

CH # 423

S-287

CA

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SUMMARY: The bill provides a new mechanism for recovery of costs of canceled or abandoned electric generating plants: transfer of shares of stock in the utility to a Ratepayers Voting Trust in exchange for the ratepayers contribution to the plant. Imprudent costs could not be recovered. The utility can recover the prudent costs, while the ratepayers get something in return for their contribution.

The stock would be held by the Ratepayers Trust, not individual ratepayers. Electric rates would be reduced in lieu of dividends on this class of stock. The Trust could elect a proportionate share of directors of the utility.

The committee amendment (S-287) is a new draft which strikes out the original bill and simply increases the filing fee from \$75,000 to \$150,000 for a utility requesting recovery in rates for a canceled plant. It is also noted in the Statement of Fact that the PUC plans to study those elements within the original bill that might have useful applicability to electric utilities in the future.