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An Act To Allow Promotional Allowances by Public Utilities

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

Sec. 1. 35-A MRSA §309, sub-§1, as enacted by PL 1987, c. 141, Pt. A, §6, is amended to read:

1. Adherence to schedules. Except as otherwise provided in section 703 and section 703-A, it is unlawful for any public utility to charge, demand, collect or receive, for any service performed by it within the State or for any service in connection with that performance, a greater or lesser compensation than is specified in such printed schedules as may at the time be in force, or to demand, collect or receive any rate, toll or charge not specified in the schedules. The rates, tolls and charges named in the schedule are the lawful rates, tolls and charges until they are changed as provided in this Title.

Sec. 2. 35-A MRSA §703-A is enacted to read:

§ 703-A. Promotional allowances

1. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Promotional allowance" means any rebate, discount, credit, reduction in rates or other promotion offered or provided by a public utility to customers or potential customers for the purpose of encouraging customers or potential customers to select or use the service or increase usage of the service of that utility, to select, purchase, install or use any appliance or equipment designed to use that utility's service or to use any other particular service of that utility.

2. Promotional allowance allowed. Notwithstanding section 703, a public utility, without prior notice to or approval from the commission, may offer or provide a promotional allowance.

3. Filing of schedules of rates. Schedules of rates that provide for promotional allowances take effect when filed with the commission, unless a later effective date is specified.

4. Rate-making treatment. This section does not limit the commission's authority in any rate case or alternative rate-making proceeding to disallow, in whole or in part, any expense of a public utility that the commission finds to be unjust, unreasonable, excessive or unwarranted. A public utility may not recover from any person other than its shareholders or other owners any expenditures, contributions, expenses or costs incurred by that utility with respect to promotional allowances.

5. Rules. The commission shall adopt rules to implement this section. Rules adopted pursuant to this subsection are major substantive rules as defined in Title 5, chapter 375, subchapter 2-A.

Sec. 3. Rulemaking. The Public Utilities Commission shall adopt rules to implement the Maine Revised Statutes, Title 35-A, section 703-A no later than 120 days after the effective date of this Act.

SUMMARY

This bill allows public utilities to offer or provide promotional allowances, such as rebates, discounts or similar reductions, to their customers or potential customers. The Public Utilities Commission is directed to adopt rules to implement the provisions of this bill.