

STATE OF MAINE

—
IN THE YEAR OF OUR LORD
TWO THOUSAND AND FIFTEEN

—
H.P. 599 - L.D. 880

An Act To Permit Rate-adjustment Mechanisms for Water Utilities

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

Sec. 1. 35-A MRSA §6102-A is enacted to read:

§6102-A. Rate-adjustment mechanism for water utilities

1. Rate-adjustment mechanism. Notwithstanding any provision of law to the contrary, the commission may establish or authorize a reasonable rate-adjustment mechanism to decouple water utility revenues from water utility sales through revenue reconciliation when changes in sales are due to a change in the number of customers or a change in the volume of consumption. In determining the reasonableness of any such rate-adjustment mechanism, the commission shall apply the standards of section 301 and shall consider the transfer of risks associated with any such changes in sales and, to the extent these risks are transferred between the utility and its customers, the commission shall consider the effect of the transfer of risk in determining a utility's allowed rate of return.

2. Report. The commission, as part of its annual report pursuant to section 120, shall list rate adjustments that have been requested and those that have been granted.