

STATE OF MAINE

—  
IN THE YEAR OF OUR LORD  
TWO THOUSAND AND TWELVE

—  
H.P. 695 - L.D. 935

**An Act To Create Fair and Open Competition in Line Extension  
Construction**

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

**Sec. 1. 35-A MRSA §315** is enacted to read:

**§315. Transmission and distribution utility line extension construction**

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

A. "Line" has the same meaning as in section 314, subsection 1, paragraph A.

B. "Make-ready work" means work necessary to connect a line extension to existing utility infrastructure.

**2. Line extension charge.** Amounts charged by a transmission and distribution utility serving more than 500,000 retail customers for a line extension are governed by this subsection.

A. Through a proceeding or rulemaking and in accordance with this section and section 314, the commission shall establish the method to be used by a transmission and distribution utility serving more than 500,000 retail customers for line extension pricing. The method may include the amount to be charged per foot for the completion of a line extension.

B. Revenue received by a transmission and distribution utility serving more than 500,000 retail customers from a telephone utility may not be used to offset the total cost of or amount charged to a customer for a line extension.

C. A transmission and distribution utility serving more than 500,000 retail customers shall report annually to the commission, on a date determined by the commission, the total amount charged to customers for line extensions and the total actual costs to the transmission and distribution utility serving more than 500,000 retail customers to complete those line extensions for a prior 12-month period determined by the commission.

D. If a report pursuant to paragraph C demonstrates that charges to customers for line extensions are less than 95% of total actual costs or greater than 105% of total actual costs during the reporting period, the commission, within 30 days of the date of the filing of the report, shall open an investigation to determine the appropriate adjustments to be made to the method used by the transmission and distribution utility pursuant to paragraph A to establish the amount charged to a customer for a line extension so that the total amount charged to customers is no less than 95% and no more than 105% of total actual costs for the line extensions.

**3. Cost recovery.** Any cost associated with construction of a line extension that is not recovered by a transmission and distribution utility serving more than 500,000 retail customers through the charges established in accordance with subsection 2 must be borne by the utility and may not be recovered in rates.

**4. Fees for make-ready work.** A transmission and distribution utility serving more than 500,000 retail customers may charge a customer taking polyphase service the actual costs of make-ready work associated with that customer's service. A transmission and distribution utility serving more than 500,000 retail customers may not charge a customer taking single-phase service for make-ready work associated with that customer's service. A transmission and distribution utility serving more than 500,000 retail customers may recover costs associated with such single-phase service make-ready work in rates.

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

Nothing in this section may be construed to limit the activities of a transmission and distribution utility serving 500,000 or fewer retail customers.

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In House of Representatives, ..... 2012

Read twice and passed to be enacted.

..... Speaker

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In Senate, ..... 2012

Read twice and passed to be enacted.

..... President

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Approved ..... 2012

..... Governor