

**NEW TITLE:** An Act To Allow the Public Utilities Commission To Use Quantitative Metrics and Rate Adjustment Mechanisms in a Proceeding for a General Rate Increase

**Amend the bill by striking out everything after the enacting clause and inserting the following:**

**Sec. 1. 35-A MRSA §307, sub-§6** is enacted to read:

**6. General increase in rates; rate adjustment mechanisms; quantitative metrics.** The commission may establish or authorize rate adjustment mechanisms or quantitative metrics pertaining to a public utility's operations and activities in a proceeding for a general increase in rates. If the commission establishes or authorizes a positive financial incentive pursuant to this subsection, the positive financial incentive may not have the effect of increasing the public utility's return on equity by more than 100 basis points above the return on equity approved for that utility in the current or most recent proceeding for a general increase in rates.

### **SUMMARY**

This amendment replaces the bill. It allows the Public Utilities Commission to establish or authorize rate adjustment mechanisms or quantitative metrics pertaining to a public utility's operations and activities in a proceeding for a general increase in rates. If the commission establishes or authorizes a positive financial incentive, the positive financial incentive may not have the effect of increasing the public utility's return on equity by more than 100 basis points above the return on equity approved for that utility in the current or most recent proceeding for a general increase in rates.