

## CHAPTER 64-A

## CONSUMER-OWNED WATER UTILITY CONSOLIDATION

**§6431. Consolidation of consumer-owned water utilities into a single consumer-owned water utility**

**1. Petition.** Upon a petition of 2 or more consumer-owned water utilities for the consolidation of the consumer-owned water utilities into a single consumer-owned water utility, the commission shall initiate a proceeding to determine whether the proposed consolidation is in the public interest.

[PL 2023, c. 325, §9 (NEW).]

**2. Differing rates request.** Two or more consumer-owned water utilities may request in the petition submitted in accordance with subsection 1 to have differing geographically based rate structures consistent with the service areas serviced by the petitioning utilities if the commission approves consolidation into a single consumer-owned water utility. The commission may disallow the use of differing rate structures if the commission finds it is not in the best interest of ratepayers.

[PL 2023, c. 325, §9 (NEW).]

**3. Notice to customers; public meeting.** Prior to the filing of a petition pursuant to subsection 1, the consumer-owned water utilities seeking consolidation must first hold a public meeting at which any customer may provide comment and may question the officials present regarding the proposed consolidation. The consumer-owned water utilities shall, at least 14 days prior to the public meeting required under this subsection, provide notice of the proposed consolidation and the meeting in a manner prescribed by the commission, including the date, time, place and purpose of the meeting to each of its customers. The notice must include a statement describing the consolidation. A public meeting held pursuant to this subsection must include a public comment period prescribed by the commission. After the public meeting, the governing bodies of the consumer-owned water utilities shall hold a meeting to deliberate and vote on the proposed consolidation, which may be modified on the basis of public comments received during the public meeting. The consumer-owned water utilities shall take minutes of the public meeting and the subsequent meeting of the governing bodies. Upon good cause shown, the commission may waive one or more of the requirements of this subsection.

[PL 2023, c. 325, §9 (NEW).]

**4. Proceeding; approval.** Upon a petition filed pursuant to subsection 1, the commission shall provide in a proceeding customers of the petitioning consumer-owned water utilities and other interested persons the opportunity to comment on or object to the proposed consolidation. Upon the conclusion of the proceeding, the commission shall issue a written decision. The commission may approve the consolidation petition or modifications of the petition upon a finding that the consolidation is in the public interest, subject to any reasonable conditions imposed by the commission.

[PL 2023, c. 325, §9 (NEW).]

**5. Rulemaking.** The commission may 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.

[PL 2023, c. 325, §9 (NEW).]

## SECTION HISTORY

PL 2023, c. 325, §9 (NEW).

**§6432. Consolidated consumer-owned water utility charter requirements; commission authority**

**1. Commission responsibility; charter creation.** If the commission approves a petition of 2 or more consumer-owned water utilities for consolidation into a single consumer-owned water utility in accordance with section 6431, the commission shall provide the joint standing committee of the

Legislature having jurisdiction over utilities matters a report on the consolidation of the utilities that includes a draft charter created in accordance with this section for the approved consumer-owned water utility. The committee may report out a bill for each approved water utility listed in the report. [PL 2023, c. 325, §9 (NEW).]

**2. Charter requirements.** A consolidated consumer-owned water utility charter drafted by the commission pursuant to subsection 1 must:

A. Meet the requirements for a standard district in accordance with chapter 64; and [PL 2023, c. 325, §9 (NEW).]

B. Specify that the consolidated consumer-owned water utility shall acquire all, and not less than all, of the plants, properties, assets, franchises, rights and privileges owned by the consumer-owned water utilities being consolidated, including, without limitation, all lands, buildings, waters, water rights, springs, wells, reservoirs, tanks, standpipes, mains, pumps, pipes, machinery, fixtures, hydrants, meters, services, tools, equipment and appliances used or useful in supplying water for domestic, sanitary, commercial, industrial and municipal purposes. The consideration to be paid for the plants, properties, assets, franchises, rights and privileges is the assumption by the consolidated consumer-owned water utility of all of the outstanding debts, obligations and liabilities of the consumer-owned water utilities being consolidated, including, without limitation, the assumption by the consolidated consumer-owned water utility of any outstanding notes or bonds of the consumer-owned water utilities being consolidated that are due on or after the date of the assumption. [PL 2023, c. 325, §9 (NEW).]

[PL 2023, c. 325, §9 (NEW).]

#### SECTION HISTORY

PL 2023, c. 325, §9 (NEW).

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