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Date: (Filing No. H-)

ENERGY, UTILITIES AND TECHNOLOGY

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
126TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to H.P. 6, L.D. 4, “Resolve, Regarding Legislative Review of Chapter 675: Infrastructure Surcharge and Capital Reserve Accounts, a Major Substantive Rule of the Public Utilities Commission”

Amend the resolve in section 1 in the last line (page 1, line 18 in L.D.) by striking out the following: "authorized." and inserting the following:
'authorized only if the rule is amended as follows:

- 1. Language is added to clarify in section 4(A)(1) that the infrastructure surcharge may not result in an increase in revenue requirements greater than 3% of current revenue requirements;
- 2. Language is added to clarify in section 4(A)(3) that the infrastructure surcharge may not result in an increase in revenue requirements greater than 7.5% of current revenue requirements;
- 3. Section 4(B)(2) is changed to provide that the amount of the utility's revenue requirement attributed to fund a capital reserve account may not exceed the percentages listed in that paragraph; and
- 4. Language is added to Section 6(A)(1)(b)(i) to include as an option when calculating rate of return for an investor-owned water utility allowing the investor-owned water utility, the Public Utilities Commission's advisory staff and the Office of the Public Advocate to agree in advance of the filing of the infrastructure surcharge request on the current cost of debt and the return on equity and capital structure to be used.'

SUMMARY

This amendment authorizes the adoption of Chapter 675: Infrastructure Surcharge and Capital Reserve Accounts, a major substantive rule of the Public Utilities Commission only if the commission amends the rule to clarify some language regarding

COMMITTEE AMENDMENT

1 the maximum amounts of the infrastructure surcharge, to use consistent terms regarding
2 attributing funds and to provide that the Office of the Public Advocate, the Public
3 Utilities Commission's advisory staff and the water utility can agree in advance of the
4 infrastructure surcharge filing on the current cost of debt and the return on equity and
5 capital structure to be used.

6 **FISCAL NOTE REQUIRED**

7 **(See attached)**