

Innovations in Delivering Broadband Service

NECPUC Symposium

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Unregulated business ventures of utilities

(35-A M.R.S. §713)

1. A utility may not charge its ratepayers for costs attributable to unregulated business ventures undertaken by the utility or an affiliated.
2. The commission shall allocate, between a utility's shareholders and ratepayers, costs for facilities, services or intangibles, including good will or use of a brand name, that are shared between regulated and unregulated business activities.
3. The commission shall also attempt to ensure that the utility or any affiliate does not have an unfair advantage in any competitive market as a result of its regulated status or its affiliation with a regulated utility.

Utility Requirements for Non-Core Activities

(Maine PUC Ch. 820)

1. A utility must establish a separate corporate entity to offer non-core services.
2. When a utility must apportion costs between its core utility service and its non-core services, it must do so in accordance with the FCC fully distributed cost methodology.
3. Any assets transferred to an affiliate providing non-core services must be at fair market value.
4. Any utility affiliate providing non-core services using the utility's "good will" must compensate the utility the value of which shall be presumed to be the lesser of 1% of the affiliate's total capitalization or 2% of the affiliate's gross revenue for the first six years the affiliate provides non-core services.
5. PUC approval is required for a utility to invest more than 5% of the utility's total capitalization in an affiliate providing non-core services.
6. Any transfer of customer information to an affiliate must be at FMV and must be made available to all others on the same terms.

LD 1894 – An Act to Support Municipal Broadband Infrastructure Through Incentives and Competition

(35-A M.R.S. § 2111)

1. A consumer owned utility that elects to provide broadband service to the public, must first register with the PUC.
2. As part of the registration, it must identify a contact person knowledgeable about the utility's broadband service.
3. The PUC shall inform the utility of the requirements of Section 713.