

TITLE 4: ECONOMIC RESOURCES
DIVISION 8: UTILITIES

§ 8454. Certification of Public Utility Companies.

(a) (1) *Certification Required.* Any public utility company interested in providing or operating a service in the Commonwealth shall request, obtain, and maintain a valid certificate of public convenience and necessity from the Commission except as provided for in subsection (d) of this section.

(2) The Commission shall grant certification to a public utility company if it determines that, aside from complying with the established criteria, certification is consistent with the public interest. When acting upon a request, the Commission may grant certification in full or in part and may impose such conditions and terms as it determines to be reasonably necessary for achieving the purposes hereof.

(b) *Modifications, Suspensions, and Revocations.* A certification granted by the Commission pursuant to provisions of this Article may be modified, suspended, or revoked by the Commission for just cause after notice and opportunity for hearing.

(c) *Authorization for Discontinuation or Cessation of Services.*

(1) No public utility company may discontinue, reduce, or diminish its provision of services unless it requests and obtains a valid authorization from the Commission for said discontinuation, reduction, or diminishment.

(2) The Commission shall adopt regulations specifying the form, content, procedure, and criteria for filing requests for such authorizations and for providing the public with the opportunity to express itself thereon. Said procedure shall, without it being understood as a limitation, include the publication of notices notifying the public about said requests. When acting upon requests for discontinuation, cessation, reduction, or diminishment of a service, the Commission shall consider the reasons on which the request is based together with the consequences of a social nature and public interest that may result from its decision. The Commission may grant or deny the request in full or in part, or impose such conditions on every total or partial authorization as it deems reasonably necessary for achieving the purposes hereof.

(d) *Existing Franchises.* The Commonwealth Utilities Corporation shall not be required to obtain a certificate of public convenience and necessity from the Commission but be subject to Section 8426 of this Chapter. In the event that the Commonwealth Utilities Corporation privatizes its power, water, or sewer division, the private company or contractor that operates the power, water, or sewer division shall be required to obtain a certificate of public convenience and necessity from the Commission and be subject to Section 8426 of this Chapter.

Source: PL 12-39, § 1(b) (8327), modified; (a)(3) and (4) added by PL 14-53, § 2, modified; (b)(3) amended by PL 14-53, § 3, modified; repealed and reenacted by PL 15-35, § 2 (8441), modified; (d) repealed and reenacted by PL 17-81 §4 (August 31, 2012).

Commission Comment: PL 14-53 was enacted on January 17, 2005 and contained the following findings, in addition to severability and savings clause provisions. In subsection (a)(4) above, the Commission inserted “the” immediately after “further” and also deleted “to” after “regulations” to correct manifest

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typographical errors pursuant to its authority by 1 CMC § 3806(g). In subsection (b)(3) above, parts were vetoed by the Governor pursuant to his line item veto authority by article II, § 7(a) of the CNMI Constitution; the Commission also deleted figures that were repetitive of words and corrected the references to section 8327 pursuant to its authority by 1 CMC § 3806(e) and (c), respectively.

Section 1. Findings. The Legislature finds that Public Law 12-39 reduced the Commonwealth Telecommunications Commission's ("CTC") funding to less than 20% of the funding level for its predecessor entity. This funding reduction has resulted in extreme difficulty for the CTC to carry out its obligation in an effective and efficient manner. This legislation amends the Commonwealth Telecommunications Act to restore CTC funding to approximately 60% of its previous level, to provide funding for telecom consumer advocacy, to establish a CNMI Universal Service fund, to provide CTC the authority to establish regulations related to the establishment of the CNMI Universal Service Fund, and to provide CTC with discretion for spending a portion of its budget on items to be addressed in CNMI Universal Service fund regulations which will result in a significant benefit for consumers at minimal cost.

PL 15-35 was enacted on October 24, 2006, and repealed the entire "Commonwealth Telecommunications Act" and created a "Public Utilities Commission" in its place. See the comment to 4 CMC § 8401 regarding PL 15-35. The Commission changed the references to "§ 8421" in subsection (d) above to "Section 8426" to agree with renumbered sections pursuant to its authority by 1 CMC § 3806.