

8-108. VALUATION, ALLOCATION, ASSESSMENT, AND APPORTIONMENT OF PUBLIC UTILITY PROPERTY.

(A) VALUATION OF PUBLIC UTILITY OPERATING PROPERTY.

THE DEPARTMENT SHALL VALUE THE OPERATING UNIT OF A PUBLIC UTILITY ON THE BASIS OF THE VALUE OF THE OPERATING PROPERTY OF THE PUBLIC UTILITY, BY CONSIDERING:

- (1) THE EARNING CAPACITY OF THE OPERATING UNIT; AND
- (2) ALL OTHER FACTORS RELEVANT TO A DETERMINATION OF VALUE OF THE OPERATING UNIT.

(B) ALLOCATION OF PROPERTY TO THIS STATE.

THE DEPARTMENT SHALL ALLOCATE TO THIS STATE THE VALUE OF THAT PART OF THE OPERATING UNIT THAT IS REASONABLY ATTRIBUTABLE TO THE PART LOCATED IN THIS STATE.

(C) ASSESSMENT.

(1) FROM THE VALUE ALLOCATED TO THIS STATE UNDER SUBSECTION (B) OF THIS SECTION, THE DEPARTMENT SHALL DEDUCT:

- (I) THE ASSESSMENT OF OPERATING LAND;
- (II) THE FAIR AVERAGE VALUE OF FUEL THAT REPRESENTS THE PERCENTAGE REDUCTION OR EXEMPTION AUTHORIZED BY §§ 7-108, 7-222, AND 7-226 OF THIS ARTICLE; AND
- (III) THE ASSESSMENT OF OPERATING PROPERTY, IF ANY, THAT IS EXEMPT BY LAW FROM PROPERTY TAX.

(2) THE VALUE REMAINING AFTER MAKING THE DEDUCTIONS IS THE ASSESSMENT OF THE OPERATING PROPERTY OF A PUBLIC UTILITY.

(3) OPERATING LAND OF A PUBLIC UTILITY IS VALUED AND ASSESSED AS THE LAND ADJACENT TO THE PUBLIC UTILITY'S LAND IS VALUED AND ASSESSED.

(D) METHOD OF APPORTIONMENT TO COUNTIES AND MUNICIPAL CORPORATIONS.

(1) FOR OPERATING REAL PROPERTY OF A DOMESTIC PUBLIC UTILITY, THE DEPARTMENT SHALL APPORTION THE ASSESSMENT OF THAT OPERATING PROPERTY AMONG THE COUNTIES AND MUNICIPAL CORPORATIONS WHERE THE OPERATING PROPERTY IS LOCATED.

(2) FOR OPERATING PERSONAL PROPERTY OF A DOMESTIC PUBLIC UTILITY PLACED INTO SERVICE BEFORE JANUARY 1, 1968, THE DEPARTMENT SHALL APPORTION THE ASSESSMENT OF THAT OPERATING PROPERTY ON THE BASIS OF THE OWNERSHIP OF SHARES OF STOCK, AMONG THE COUNTIES AND MUNICIPAL CORPORATIONS WHERE THE OWNERS OF THE