

2014 -- H 7011

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2014

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A N A C T

RELATING TO PUBLIC UTILITIES AND CARRIERS -- REGULATORY POWERS OF
ADMINISTRATION

Introduced By: Representative Arthur J. Corvese

Date Introduced: January 08, 2014

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 39-3-11 of the General Laws in Chapter 39-3 entitled "Regulatory
2 Powers of Administration" is hereby amended to read as follows:
3 **39-3-11. Notice of change in rates -- Suspension of change -- Hearings. --** (a) No
4 change shall be made in the rates, tolls, and charges which have been filed and published by any
5 public utility in compliance with the requirements of section 39-3-10, except after thirty (30) days
6 notice to the commission and to the public published as provided in section 39-3-10, which shall
7 plainly state the changes proposed to be made in the schedule then in force, and the time when the
8 changed rates, tolls, or charges will go into effect. Whenever the commission receives notice of
9 any change or changes proposed to be made in any schedule filed under the provisions of section
10 39-3-10, the commission shall hold a public hearing and make investigation as to the propriety of
11 the proposed change or changes. After notice of any investigation, the commission shall have
12 power, by any order served upon the public utility affected, to suspend the taking effect of the
13 change or changes pending the decision thereof, but not for a longer period than eight (8) months
14 beyond the time when the change or changes would otherwise take effect. Each hearing and
15 investigation shall be conducted as expeditiously as may be practicable, and with a minimum of
16 delay. Within ninety (90) days after the completion of any hearing, the commission shall make
17 such order in reference to any proposed rate, toll, or charge as may be proper. Notwithstanding
18 the provisions of this section, the commission shall periodically hold a public hearing and make

1 investigation as to the propriety of rates when charged by any public utility and shall make such
2 order in reference to the rate, toll, or charge as may be just. The hearing prescribed by this section
3 may be held simultaneously with the hearing prescribed by section 39-3-7. In the event of an
4 appeal from an order of the commission in any hearing under this section, the order shall remain
5 in full force and effect during the pendency of said appeal.

6 (b) Upon receipt from a common carrier of persons and/or property upon water of a
7 notice of any change proposed to be made in any schedule filed pursuant to section 39-3-10, the
8 commission shall give notice as it may prescribe of the pendency of the proposal and of the time
9 and place of the hearing thereon to the mayor and also any city manager of each city, and to the
10 president of the town council and also any town manager of each town in which the carrier picks
11 up or discharges passengers. The commission shall also publish a notice of the hearing at least ten
12 (10) days prior to the date thereof in a newspaper of general circulation in each city or town in
13 which the carrier picks up or discharges passengers. In all other respects, hearings and
14 investigations with respect to the proposals by the carriers shall be governed by the provisions of
15 subsection (a) of this section.

16 (c) The Kent County water authority shall provide notice by certified mail of rate
17 increase requests to the several fire districts which purchase water from the authority.

18 (d) Costs incurred by electric distribution companies for filing rates, tolls and charges,
19 for participating in hearings and investigations prior to December 31, 2000 or for appealing
20 commission decisions rendered prior to December 31, 2000 pursuant to this section shall not be
21 included in the rates, tolls or charges established by the commission pursuant to this section.

22 (e) No rate increase shall be approved by the commission, nor shall any rate increase be
23 permitted, which is in excess of two and one-half percent (2.5%) of the rates, tolls, and charges
24 which have been filed and published by any public utility, common carrier, or other entity in
25 compliance with the requirements of section 39-3-10, and which are in effect at the time of the
26 proposed increase. Provided further, no public utility, common carrier or other entity shall be
27 entitled to an aggregate rate increase in excess of two and one-half percent (2.5%) within any
28 consecutive twenty-four (24) month period, regardless of whether the increases are requested at
29 one time or in multiple applications.

30 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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- 1 This act would prohibit utility rate increases in excess of two and one-half percent (2.5%)
- 2 over any twenty-four (24) month period.
- 3 This act would take effect upon passage.

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