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### STATE OF RHODE ISLAND

#### IN GENERAL ASSEMBLY

### **JANUARY SESSION, A.D. 2010**

### AN ACT

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

Introduced By: Senator Roger Picard

Date Introduced: February 11, 2010

Referred To: Senate Corporations

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

Powers of Administration" is hereby amended to read as follows:

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

public utility in compliance with the requirements of section 39-3-10, except after thirty (30) days

notice to the commission and to the public published as provided in section 39-3-10, which shall

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

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

the proposed change or changes. After notice of any investigation, the commission shall have

power, by any order served upon the public utility affected, to suspend the taking effect of the

change or changes pending the decision thereof, but not for a longer period than eight (8) months

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

delay. Within ninety (90) days after the completion of any hearing, the commission shall make

such order in reference to any proposed rate, toll, or charge as may be proper. Notwithstanding

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

order in reference to the rate, toll, or charge as may be just. No rate of return shall be more than

two percent (2%). The hearing prescribed by this section may be held simultaneously with the

hearing prescribed by section 39-3-7. In the event of an appeal from an order of the commission

in any hearing under this section, the order shall remain in full force and effect during the

pendency of said appeal.

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(b) Upon receipt from a common carrier of persons and/or property upon water of a

notice of any change proposed to be made in any schedule filed pursuant to section 39-3-10, the

commission shall give notice as it may prescribe of the pendency of the proposal and of the time

and place of the hearing thereon to the mayor and also any city manager of each city, and to the

president of the town council and also any town manager of each town in which the carrier picks

up or discharges passengers. The commission shall also publish a notice of the hearing at least ten

(10) days prior to the date thereof in a newspaper of general circulation in each city or town in

which the carrier picks up or discharges passengers. In all other respects, hearings and

investigations with respect to the proposals by the carriers shall be governed by the provisions of

subsection (a) of this section.

(c) The Kent County water authority shall provide notice by certified mail of rate

increase requests to the several fire districts which purchase water from the authority.

(d) Costs incurred by electric distribution companies for filing rates, tolls and charges,

for participating in hearings and investigations prior to December 31, 2000 or for appealing

commission decisions rendered prior to December 31, 2000 pursuant to this section shall not be

included in the rates, tolls or charges established by the commission pursuant to this section.

SECTION 2. This act shall take effect upon passage.

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### **EXPLANATION**

### BY THE LEGISLATIVE COUNCIL

OF

### $A\ N\quad A\ C\ T$

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

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This act would limit the allowed rate of return on investment for PUC regulated businesses to two percent (2%).

This act would take effect upon passage.