

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 380

Session of  
1977

INTRODUCED BY GILLETTE, SCHMITT, COHEN, ITKIN, TRELLO, ABRAHAM,  
LAUGHLIN, KELLY, GIAMMARCO, WHITE AND OLIVER, MARCH 1, 1977

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, MARCH 1, 1977

AN ACT

1 Amending the act of May 28, 1937 (P.L.1053, No.286), entitled  
2 "An act relating to the regulation of public utilities;  
3 defining as public utilities certain corporations, companies,  
4 associations, and persons; providing for the regulation of  
5 public utilities, including, to a limited extent,  
6 municipalities engaging in public utility business, by  
7 prescribing, defining, and limiting their duties, powers, and  
8 liabilities, and regulating the exercise, surrender or  
9 abandonment of their powers, privileges, and franchises;  
10 defining and regulating contract carriers by motor vehicle  
11 and brokers in order to regulate effectively common carriers  
12 by motor vehicle; conferring upon the Pennsylvania Public  
13 Utility Commission the power and duty of supervising and  
14 regulating persons, associations, companies, and  
15 corporations, including, to a limited extent, municipal  
16 corporations subject to this act, and administering the  
17 provisions of this act; authorizing the commission to fix  
18 temporary rates; placing the burden of proof on public  
19 utilities to sustain their rates and certain other matters;  
20 authorizing a permissive or mandatory sliding scale method of  
21 regulating rates; providing for the supervision of financial  
22 and contractual relations between public utilities and  
23 affiliated interests, and supervision and regulation of  
24 accounts and securities or obligations issued, assumed, or  
25 kept by persons, associations, companies, corporations or  
26 municipal corporations subject to this act; conferring upon  
27 the commission power to vary, reform, or revise certain  
28 contracts; conferring upon the commission the exclusive power  
29 to regulate or order the construction, alteration,  
30 relocation, protection, or abolition of crossings of  
31 facilities of public utilities, and of such facilities by or  
32 over public highways, to appropriate property for the  
33 construction or improvement of such crossings, and to award  
34 or apportion resultant costs and damages; authorizing owners

1 of such property to sue the Commonwealth for such damages;  
2 providing for ejectment proceedings in connection with the  
3 appropriation of property for crossings; conferring upon the  
4 commission power to control and regulate budgets of public  
5 utilities; imposing upon persons, associations, companies,  
6 and corporations (except municipal corporations) subject to  
7 regulation, the cost of administering this act; prescribing  
8 and regulating practice and procedure before the commission  
9 and procedure for review by the courts of commission action;  
10 giving the court of common pleas of Dauphin County exclusive  
11 original jurisdiction over certain proceedings; prescribing  
12 penalties, fines, and imprisonment for violations of the  
13 provisions of this act and regulations and orders of the  
14 commission, and the procedure for enforcing such fines and  
15 penalties; and repealing legislation supplied and superseded  
16 by or inconsistent with this act," prescribing further  
17 criteria and standards for the setting of rates; and  
18 permitting the implementation of lifeline rates.

19 The General Assembly of the Commonwealth of Pennsylvania  
20 hereby enacts as follows:

21 Section 1. Section 301, act of May 28, 1937 (P.L.1053,  
22 No.286), known as the "Public Utility Law," amended March 21,  
23 1939 (P.L.10, No.11), is amended to read:

24 Section 301. Rates to Be Just and Reasonable.--(a) Every  
25 rate made, demanded, or received by any public utility, or by  
26 any two or more public utilities jointly, shall be just and  
27 reasonable, and in conformity with regulations or orders of the  
28 commission: Provided, That only public utility service being  
29 furnished or rendered by a municipal corporation, or by the  
30 operating agencies of any municipal corporation, beyond its  
31 corporate limits, shall be subject to regulation and control by  
32 the commission as to rates, with the same force, and in like  
33 manner, as if such service were rendered by a public utility.

34 (b) In determining whether rates are just and reasonable the  
35 commission shall consider the cost of service, value of service,  
36 conservation of natural resources used in the production or  
37 generation of utility service, and the protection and promotion  
38 of the public health, safety and welfare.

1     (c) The commission may, after notice and hearing, require or  
2 permit each gas, electric or steam heat utility to file a tariff  
3 which includes a lifeline rate designed to promote the  
4 conservation of natural resources; such lifeline rate shall be a  
5 reduced rate applicable to the initial block of a rate design or  
6 rate structure.

7     Section 2. The authority of the commission with regard to  
8 lifeline rates as provided in section 301(c) shall expire one  
9 year from the effective date of this act, unless extended by act  
10 of the General Assembly.

11     Section 3. This act shall take effect immediately.