
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL
No. 1129 Session of
1979

INTRODUCED BY MANDERINO, IRVIS, DiCARLO, DOMBROWSKI, STUBAN,
JONES, RHODES, REED, FEE, LIVENGOD, STEIGHNER, STEWART,
D. R. WRIGHT, COWELL, BROWN, DeMEDIO, RICHARDSON, WHITE,
BORSKI, RAPPAPORT, COHEN, WACHOB, SCHMITT, SHUPNIK, WARGO,
PETRARCA, M. H. GEORGE, KERNICK, GRABOWSKI, MUSTO, RITTER,
COLE, SCHWEDER, AUSTIN, MRKONIC, HOFFEL, PIEVSKY, BERSON,
COCHRAN, CALTAGIRONE, LAUGHLIN, RIEGER, KOLTER AND
J. J. JOHNSON, MAY 1, 1979

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, MAY 1, 1979

AN ACT

1 Amending Title 66 (Public Utilities) of the Pennsylvania
2 Consolidated Statutes, removing certain utilities from the
3 sliding scale of rates provision.

4 The General Assembly of the Commonwealth of Pennsylvania
5 hereby enacts as follows:

6 Section 1. Subsection (a) of section 1307 of Title 66, act
7 of November 25, 1970 (P.L.707, No.230), known as the
8 Pennsylvania Consolidated Statutes, is amended to read:

9 § 1307. Sliding scale of rates; adjustments.

10 (a) General rule.--Any public utility, except a common
11 carrier, may establish a sliding scale of rates or such other
12 method for the automatic adjustment of the rates of the public
13 utility as shall provide a just and reasonable return on the
14 fair value of the property used and useful in the public
15 service, to be determined upon such equitable or reasonable

1 basis as shall provide such fair return. A tariff showing the
2 scale of rates under such arrangement shall first be filed with
3 the commission, and such tariff, and each rate set out therein,
4 approved by it. The cost of fuel or energy used or purchased by
5 an electric utility whose yearly revenues exceed \$2,500,000
6 shall not be subject to a sliding scale of rates or to automatic
7 adjustment of rates but shall be included in the base rate
8 schedules under the procedures provided in this act for the
9 filing of base rate increases. The inclusion by an electric
10 utility of such fuel and energy costs in the base rate schedules
11 shall be effectuated by the conversion of such fuel or energy
12 costs by the filing of revised base rate schedules incorporating
13 at a flat rate the per kilowatt-hour charge, on an annual basis,
14 that will provide revenues equivalent to those provided by the
15 automatic adjustment of rates under this section. Each electric
16 utility seeking to incorporate into the revised base rate
17 schedules any accumulated fuel and energy costs which were
18 unrecovered by the automatic adjustment of rates at the time of
19 conversion shall amortize these costs over a period of at least
20 five years. The commission may revoke its approval at any time
21 and fix other rates for any such public utility if, after notice
22 and hearing, the commission finds the existing rates unjust or
23 unreasonable.

24 * * *

25 Section 2. This act shall take effect immediately.