

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1243 Session of
1979

INTRODUCED BY MANDERINO, IRVIS, DiCARLO, KUKOVICH, WARGO, BROWN,
REED, RHODES, SCHMITT, COHEN, STUBAN, COLE, CALTAGIRONE,
DOMBROWSKI AND PIEVSKY, MAY 8, 1979

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, MAY 8, 1979

AN ACT

1 Amending Title 66 (Public Utilities) of the Pennsylvania
2 Consolidated Statutes, further providing for the removal of
3 certain utility facilities from rate base calculations in the
4 event of extraordinary outages.

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

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

10 § 1315. Rates to be adjusted for extraordinary outages of
11 electric utility facilities.

12 (a) Definition.--As used in this section the term
13 "extraordinary outage" means an event or occurrence which
14 renders inoperative for a period of at least 90 days any
15 electrical generating or transmitting facility.

16 (b) Commission powers.--In the event of an extraordinary
17 outage, the commission shall, immediately on the ninetieth day
18 of the outage, remove such facility or facilities from the rate

1 base calculations of the electric utility that operates such
2 facility.

3 (c) Objection by utility.--If a utility objects to the
4 procedures of subsection (b), it may petition the commission for
5 a hearing on the removal matter. In granting the requested
6 hearing, the commission shall not stay or suspend the removal of
7 the facility from the utility's rate base. In any such hearing,
8 the burden of proof shall rest upon the utility to rebut the
9 presumption that the utility was operating the facility or
10 facilities in an imprudent and unreasonable manner. Failure of
11 the utility to rebut the presumption of imprudent and
12 unreasonable management policies shall result in the
13 continuation of the removal order until such time as the
14 facility or facilities have been returned to full operating
15 capacity.

16 (d) Regulations for section.--The commission shall, within
17 90 days of the effective date of this section, promulgate rules
18 and regulations to implement the powers granted by this section.
19 Such regulations shall include the requirement that each
20 electric utility notify the commission when a facility or
21 facilities have been inoperative for a period of seven days and
22 whether, with respect to such facility or facilities, the
23 utility has reason to believe that such inoperative period shall
24 continue for at least 30 days.

25 Section 2. This act shall take effect immediately.