

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL
No. 1710 Session of
1981

INTRODUCED BY MANDERINO, HOEFFEL, WARGO, SHUPNIK, O'DONNELL,
MORRIS, WAMBACH, BROWN, STUBAN, PISTELLA, WACHOB, MICHLOVIC,
COLAFELLA, DOMBROWSKI, BELFANTI, KOWALYSHYN, GALLAGHER,
SWAIM, LLOYD, FEE, F. E. TAYLOR, DeMEDIO, BLAUM, SHOWERS,
VAN HORNE, ITKIN, CLARK, LUCYK, EVANS AND MRKONIC, JUNE 24,
1981

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, JUNE 24, 1981

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

1 of the outage, remove such facility or facilities from the rate
2 base calculations of the electric utility that operates such
3 facility.

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

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

26 Section 2. This act shall take effect immediately.