

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 815

Session of
1987

INTRODUCED BY BURNS, MARCH 11, 1987

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, MARCH 11, 1987

AN ACT

1 Amending Title 66 (Public Utilities) of the Pennsylvania
2 Consolidated Statutes, requiring the commission to designate
3 revitalization rates.

4 The General Assembly of the Commonwealth of Pennsylvania
5 would like to encourage large industrial and commercial
6 customers to invest capital and to create jobs in this
7 Commonwealth for the benefit of all its citizens.

8 The General Assembly, therefore, intends to allow large
9 industrial and commercial customers to be eligible for utility
10 rate discounts, henceforth referred to as revitalization rates,
11 if these customers increase their demand for energy above past
12 levels as a result of increased production.

13 Aside from the primary benefit of job creation, all utility
14 ratepayers will benefit from the additional revenues generated
15 by the utility from the increased sale of energy because the
16 revenues will be used to defray the general operating costs
17 which are divided among all consumers.

18 The General Assembly of the Commonwealth of Pennsylvania

1 hereby enacts as follows:

2 Section 1. Title 66 of the Pennsylvania Consolidated
3 Statutes is amended by adding a section to read:

4 § 528. Revitalization rates.

5 The commission shall, in consultation with the Department of
6 Commerce:

7 (1) Designate geographic areas in which reduced economic
8 activity, unemployment and underutilization of utility
9 facilities justifies the approval of reduced rates,
10 henceforth known as revitalization rates for utility
11 services.

12 (2) Promulgate criteria for identifying the large
13 industrial and commercial customers located in the specified
14 areas eligible for the revitalization rate. Customers
15 qualifying for this rate shall either create new jobs or
16 invest substantial capital to expand, re-tool or revitalize
17 their operations. The commission shall authorize
18 revitalization rates in the areas to the customers and for
19 the periods of time as the commission finds will best
20 effectuate the purposes of this section. The commission may
21 also provide for the gradual elimination of the
22 revitalization rate authorized and the elimination of the
23 reduction, if any conditions imposed by the commission are
24 not met.

25 (3) Designate or form classes of customers as
26 appropriate for special rates or tariffs, in order to prevent
27 loss of customers or to attract new customers where necessary
28 to maintain economic use of utility facilities.

29 (4) Design the revitalization rate to recover the
30 incremental cost of providing service to the specified

1 customers and to contribute to the common costs assuring that
2 customers that do not qualify for the revitalization rate do
3 not experience any adverse monetary effects.

4 Section 2. This act shall take effect in 90 days.