

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 527

Session of
1977

INTRODUCED BY HASAY, MACKOWSKI, D. S. HAYES, LEVI, DeVERTER,
L. E. SMITH, SIRIANNI, MILLER, RYAN AND GEESEY, MARCH 7, 1977

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, MARCH 7, 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," removing the cost of fuel
17 adjustment from the sliding scale of rates.

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

20 Section 1. Subsection (a) of Section 307, act of May 28,
21 1937 (P.L.1053, No.286), known as the "Public Utility Law," is
22 amended to read:

23 Section 307. Sliding Scale of Rates.--(a) Any public
24 utility, except a common carrier, may establish a sliding scale
25 of rates or such other method for the automatic adjustment of
26 the rates of the public utility as shall provide a just and
27 reasonable return on the fair value of the property used and
28 useful in the public service, to be determined upon such
29 equitable or reasonable basis as shall provide such fair return:
30 Provided, That a tariff showing the scale of rates under such
31 arrangement is first filed with the commission, and such tariff,
32 and each rate set out therein, approved by it: Provided further,
33 That the cost of fuel used by the utility shall be included in
34 the basic rate and shall not be subject to a sliding scale of
35 rates or to automatic adjustment of the rate. The commission may
36 revoke its approval at any time and fix other rates for any such
37 public utility if, after notice and hearing, the commission
38 finds the existing rates unjust or unreasonable.

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2 Section 2. This act shall take effect immediately.