

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1851

Session of
1981

INTRODUCED BY LLOYD, WAMBACH, GALLAGHER, HOFFEL, PISTELLA,
ZWIKL, MICHLOVIC, PETRARCA, STEIGHNER, LUCYK, KOWALYSHYN,
COHEN, PRATT, WACHOB, MORRIS, COCHRAN, CLARK, STUBAN, SHOWERS
AND SWAIM, SEPTEMBER 23, 1981

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, SEPTEMBER 23, 1981

AN ACT

1 Amending Title 66 (Public Utilities), of the Pennsylvania
2 Consolidated Statutes, providing for a tariff calculated to
3 increase gross annual operating expenses and prohibiting
4 multiple filings.

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

7 Section 1. Section 1308(d) of Title 66, act of November 25,
8 1970 (P.L.707, No.230), known as the Pennsylvania Consolidated
9 Statutes, is amended and a subsection is added to read:

10 § 1308. Voluntary changes in rates.

11 * * *

12 (d) General rate increases.--Whenever there is filed with
13 the commission by any public utility described in paragraph
14 (1)(i), (ii), (vi) or (vii) of the definition of "public
15 utility" in section 102 (relating to definitions), and such
16 other public utility as the commission may by rule or regulation
17 direct, any tariff stating a new rate which constitutes a
18 general rate increase, the commission shall promptly enter into

1 an investigation and analysis of said tariff filing [and]. If
2 the said tariff states a new rate which is calculated to
3 increase the public utility's gross annual intrastate operating
4 revenues by less than \$10,000,000 the commission may by order
5 setting forth its reasons therefor, upon complaint or upon its
6 own motion, upon reasonable notice, enter upon a hearing
7 concerning the lawfulness of such rate, and the commission may,
8 at any time by vote of a majority of the members of the
9 commission serving in accordance with law, permit such tariff to
10 become effective, except that absent such order such tariff
11 shall be suspended for a period not to exceed seven months from
12 the time such rate would otherwise become effective. [Before the
13 expiration of such seven-month period,] If the said tariff
14 states a new rate which is calculated to increase the public
15 utility's gross annual operating revenues by at least
16 \$10,000,000 the commission shall, upon reasonable notice, enter
17 upon a hearing concerning the lawfulness of such rate and such
18 tariff shall be suspended for a period not to exceed nine months
19 from the date on which the public utility filed the tariff with
20 the commission. Before the expiration of the maximum period for
21 which the commission is permitted to suspend any tariff stating
22 a new rate which constitutes a general rate increase, a majority
23 of the members of the commission serving in accordance with law,
24 acting unanimously, shall make a final decision and order,
25 setting forth its reasons therefor, granting or denying, in
26 whole or in part, the general rate increase requested. If,
27 however, such an order has not been made at the expiration of
28 such [seven-month period,] maximum period of suspension, the
29 proposed general rate increase shall go into effect at the end
30 of such period, but the commission may by order require the

1 interested public utility to refund, in accordance with section
2 1312 (relating to refunds), to the persons in whose behalf such
3 amounts were paid, such portion of such increased rates as by
4 its decision shall be found not justified, plus interest, which
5 shall be the average rate of interest specified for residential
6 mortgage lending by the Secretary of Banking in accordance with
7 the act of January 30, 1974 (P.L.13, No.6), referred to as the
8 Loan Interest and Protection Law, during the period or periods
9 for which the commission orders refunds. The rate in force when
10 the tariff stating such new rate was filed shall continue in
11 force during the period of suspension unless the commission
12 shall grant extraordinary rate relief as prescribed in
13 subsection (e). The commission shall consider the effect of such
14 suspension in finally determining and prescribing the rates to
15 be thereafter charged and collected by such public utility,
16 except that the commission shall have no authority to prescribe,
17 determine or fix, at any time during the pendency of a general
18 rate increase proceeding or prior to a final determination of a
19 general rate increase request, temporary rates as provided in
20 section 1310, which rates may provide retroactive increases
21 through recoupment. As used in this part general rate increase
22 means a tariff filing which affects more than 5% of the
23 customers and amounts to in excess of 3% of the total gross
24 annual intrastate operating revenues of the public utility. If
25 the public utility furnishes two or more types of service, the
26 foregoing percentages shall be determined only on the basis of
27 the customers receiving, and the revenues derived from, the type
28 of service to which the tariff filing pertains.

29 (d.1) Multiple filings prohibited.--Except as required to
30 implement an order granting extraordinary rate relief, no public

1 utility which has filed one tariff, or one supplement to a
2 proposed or existing tariff, stating a new rate which
3 constitutes a general rate increase shall file an additional
4 tariff, or supplement, stating a new rate which constitutes a
5 general rate increase for the same type of service until the
6 commission has made a final decision and order on the first such
7 tariff or supplement. Except as required to implement an order
8 granting extraordinary rate relief, no public utility shall
9 simultaneously file multiple tariffs, multiple supplements to an
10 existing or a proposed tariff or tariffs, or a tariff and a
11 supplement to a proposed or existing tariff stating a new rate
12 which constitutes a general rate increase for the same type of
13 service.

14 * * *

15 Section 2. This act shall take effect in 60 days.