

2025 -- S 0379

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

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A N A C T

RELATING TO PUBLIC UTILITIES AND CARRIERS -- REGULATORY POWERS OF
ADMINISTRATION

Introduced By: Senators Gu, Sosnowski, Britto, Vargas, Zurier, and Euer

Date Introduced: February 26, 2025

Referred To: Senate Commerce

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 39-3-24 and 39-3-25 of the General Laws in Chapter 39-3 entitled
2 "Regulatory Powers of Administration" are hereby amended to read as follows:

3 **39-3-24. Transactions between utilities for which approval required.**

4 (a) With the consent and approval of the division, but not otherwise:

5 (1) Any two (2) or more public utilities doing business in the same municipality or locality
6 within this state, or any two (2) or more public utilities whose lines intersect or parallel each other
7 within this state, or furnish a like service or product within this state, may enter into contracts with
8 each other that will enable the public utilities to operate their lines or plants in connection with each
9 other.

10 (b) With the consent and approval of the commission, but not otherwise:

11 ~~(a)~~(1) Any public utility may purchase or lease all or any part of the property, assets, plant,
12 and business of any other public utility or merge with any other public utility, and in connection
13 therewith may exercise and enjoy all of the rights, powers, easements, privileges, and franchises
14 theretofore exercised and enjoyed by any other public utility with respect to the property, assets,
15 plant, and business so purchased, leased, or merged.

16 ~~(a)~~(2) Any public utility may merge with any other public utility or sell or lease all or any
17 part of its property, assets, plant, and business to any other public utility, provided that the merger
18 or a sale or lease of all or substantially all of its property, assets, plant, and business shall be

1 authorized by a vote of at least two-thirds ($\frac{2}{3}$) in interest of its stockholders at a meeting duly called
2 for the purpose. Any stockholder who shall not have voted in favor of the merger, sale, or lease,
3 either in person or by proxy, shall be entitled to the rights, and the corporation shall be subject to
4 the duties, obligations, and liabilities set forth in §§ 7-1.2-1201 and 7-1.2-1202 with respect to
5 dissenting stockholders and to corporations that sell, lease, or exchange their entire assets
6 respectively.

7 ~~(4)~~(3) Any public utility may directly or indirectly purchase the stock of any other public
8 utility.

9 **39-3-25. Proceedings for approval of transactions between utilities.**

10 (a) The proceedings for obtaining the consent and approval of the ~~division~~ commission for
11 such authority shall be as follows: There shall be filed with the ~~division~~ commission a petition,
12 joint or otherwise, as the case may be, signed and verified by the president and secretary of the
13 respective companies clearly setting forth the object and purposes desired; stating whether or not it
14 is for the purchase, sale, lease, or making of contracts or for any other purpose in § 39-3-24
15 provided; and also the terms and conditions of the same. The ~~division~~ commission shall upon the
16 filing of the petition, ~~if it deem a hearing necessary,~~ fix a time and place for the hearing thereof. ~~If,~~
17 ~~after the hearing, or, in case no hearing is required, the division is satisfied that the prayer of the~~

18 (b) The petition ~~should~~ may not be granted; ~~that~~ unless the facilities for furnishing service
19 to the public will not thereby be diminished; and ~~that~~ the purchase, sale, or lease and the terms
20 thereof are consistent with the public interest, ~~it shall make such order in the premises as it may~~
21 ~~deem proper and the circumstances may require.~~ The public interest includes, but is not limited to,
22 an interest in rates, competitive access to markets and elimination of all anti-competitive influence,
23 in proper administration and regulation of any utility functions, in environmental protection, in any
24 interest addressed in the petition, and in any other purpose of Rhode Island law or policy implicated
25 by the proposed transaction.

26 (c) The commission shall allow intervention and advocacy of any citizen, business or any
27 other group seeking to advocate on or for any such element of the public interest. It shall not deny
28 participation on the premise that private commercial interests cannot also be in the public interest
29 or that any public interest is otherwise represented by any public agency or any other party.

30 (d) Any commission order issued under this section is subject to appellate review under §
31 42-35-15.

32 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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1 This act would provide amendments to the procedures necessary for approval of
2 transactions between utilities by giving the public utilities commission jurisdiction over the
3 approval process rather than the division, mandating public hearings, allowing intervention by any
4 interested party and providing for appeal of its decision.

5 This act would take effect upon passage.

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