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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2015

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A N A C T

RELATING TO PUBLIC UTILITIES AND CARRIERS - REGULATORY POWERS OF
ADMINISTRATION

Introduced By: Senators Metts, Ruggerio, DaPonte, Pichardo, and Jabour

Date Introduced: February 25, 2015

Referred To: Senate Commerce

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 39-3-11 of the General Laws in Chapter 39-3 entitled "Regulatory
2 Powers of Administration" is hereby amended to read as follows:
3 **39-3-11. Notice of change in rates -- Suspension of change -- Hearings. --** (a) No
4 change shall be made in the rates, tolls, and charges which have been filed and published by any
5 public utility in compliance with the requirements of § 39-3-10, except after thirty (30) days
6 notice to the commission and to the public published as provided in § 39-3-10, which shall
7 plainly state the changes proposed to be made in the schedule then in force, and the time when the
8 changed rates, tolls, or charges will go into effect. Whenever the commission receives notice of
9 any change or changes proposed to be made in any schedule filed under the provisions of § 39-3-
10 10, the commission shall hold a public hearing and make investigation as to the propriety of the
11 proposed change or changes. After notice of any investigation, the commission shall have power,
12 by any order served upon the public utility affected, to suspend the taking effect of the change or
13 changes pending the decision thereof, but not for a longer period than eight (8) months beyond
14 the time when the change or changes would otherwise take effect. Each hearing and investigation
15 shall be conducted as expeditiously as may be practicable, and with a minimum of delay. Within
16 ninety (90) days after the completion of any hearing, the commission shall make such order in
17 reference to any proposed rate, toll, or charge as may be proper. Notwithstanding the provisions
18 of this section, the commission shall periodically hold a public hearing and make investigation as

1 to the propriety of rates when charged by any public utility and shall make such order in reference
2 to the rate, toll, or charge as may be just. The hearing prescribed by this section may be held
3 simultaneously with the hearing prescribed by § 39-3-7. In the event of an appeal from an order
4 of the commission in any hearing under this section, the order shall remain in full force and effect
5 during the pendency of said appeal.

6 (b) Upon receipt from a common carrier of persons and/or property upon water of a
7 notice of any change proposed to be made in any schedule filed pursuant to § 39-3-10, the
8 commission shall give notice as it may prescribe of the pendency of the proposal and of the time
9 and place of the hearing thereon to the mayor and also any city manager of each city, and to the
10 president of the town council and also any town manager of each town in which the carrier picks
11 up or discharges passengers. The commission shall also publish a notice of the hearing at least ten
12 (10) days prior to the date thereof in a newspaper of general circulation in each city or town in
13 which the carrier picks up or discharges passengers. In all other respects, hearings and
14 investigations with respect to the proposals by the carriers shall be governed by the provisions of
15 subsection (a) of this section.

16 (c) The Kent County water authority shall provide notice by certified mail of rate
17 increase requests to the several fire districts which purchase water from the authority.

18 (d) Costs incurred by electric distribution companies for filing rates, tolls and charges,
19 for participating in hearings and investigations prior to December 31, 2000 or for appealing
20 commission decisions rendered prior to December 31, 2000 pursuant to this section shall not be
21 included in the rates, tolls or charges established by the commission pursuant to this section.

22 (e) No rate increase shall be approved by the commission, nor shall any rate increase be
23 permitted, which is in excess of two and one-half (2.5%) of the rates, tolls, and charges which
24 have been filed and published by any public utility, common carrier, or other entity in compliance
25 with the requirements of § 39-3-10, and which are in effect at the time of the proposed increase.
26 Provided further, no public utility, common carrier or other entity shall be entitled to an aggregate
27 rate increase in excess of two and one-half percent (2.5%) within any consecutive twenty-four
28 (24) month period, regardless of whether the increases are requested at one time or in multiple
29 applications.

30 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 prohibit utility rate increases in excess of two and one-half percent (2.5%)
- 2 over any twenty-four (24) month period.
- 3 This act would take effect upon passage.

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