

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2017

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A N A C T

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

Introduced By: Senators Lombardo, Quezada, McCaffrey, Jabour, and Archambault

Date Introduced: May 11, 2017

Referred To: Senate Commerce

(Lieutenant Governor)

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 39-3 of the General Laws entitled "Regulatory Powers of
2 Administration" is hereby amended by adding thereto the following section:

3 **39-3-12.3. Reporting and treatment of incentive payments.**

4 (a) No utility regulated by the commission shall be allowed to file its rate schedules or
5 notice of changes in rates unless it shall also file a statement containing the following
6 information:

7 (1) A detailed summary of all incentive payments received by the company, including the
8 total earned under each incentive program; and

9 (2) A detailed summary of all actions taken by the company to earn such incentive
10 payments.

11 (b) Notwithstanding any other provision of the general laws, whether of specific or
12 general application, any incentive payments authorized by law and approved by the commission
13 shall be:

14 (1) Considered billed distribution revenue for the purpose of determining any revenue
15 decoupling mechanism adjustment factor authorized by law and approved by the commission;
16 and

17 (2) Considered billed distribution revenue in any future rate case.

1 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 characterize incentive payments to utilities as billed distribution revenue
2 for rate setting services. This act would also require public utilities to file information regarding
3 incentive programs and payments when the public utilities file rate schedules or notice of changes
4 in rates with the PUC.

5 This act would take effect upon passage.

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