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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2022

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A N A C T

RELATING TO PUBLIC UTILITIES AND CARRIERS -- PUBLIC UTILITIES COMMISSION

Introduced By: Senator Dawn M. Euer

Date Introduced: March 24, 2022

Referred To: Senate Commerce

(Division of Public Utilities and Carriers)

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 39-1-26 of the General Laws in Chapter 39-1 entitled "Public Utilities
2 Commission" is hereby amended to read as follows:

3 **39-1-26. Public utilities reserve fund created -- Appropriations -- Recovery of**
4 **expenses from utility companies.**

5 (a) There is hereby created a fund to be known as the public utilities reserve account, an
6 account within the public utilities commission in the general fund. Such account, hereinafter
7 referred to as the "fund," shall be used for the purpose of providing the financial means for the
8 commission and division to purchase materials, and to employ on a contract or other basis, legal
9 counsel, official stenographers, engineers, accountants, economists, and other expert witnesses, and
10 for other necessary expenses of the commission and division in investigations and hearings related
11 to applications and filings made by public utilities, or commission- or division-initiated
12 investigations into utility operating practices, or related appeals to state or federal courts or in
13 relevant regulatory matters before federal agencies. The general assembly shall annually
14 appropriate to the fund a sum equal to twenty-five one thousandths of one percent (.00025%) of
15 the gross, annual operating revenues of gas, electric, and telephone companies attributable to their
16 conduct of intrastate operations in this state during the year next preceding; provided, however, that
17 if at June 30, in any year the balance in the fund shall be in excess of one hundred thousand dollars
18 (\$100,000), the amount of the excess shall forthwith be transferred to the general fund of the state.
19 Prebilled revenue shall be excluded from an excess balance to be transferred to the general fund.

1 The state controller is authorized and directed to draw his or her orders upon the general treasurer
2 for the payment from the fund of such sums as may be required from time to time upon receipt by
3 him or her of proper vouchers approved by the administrator.

4 (b) The public utility making an application or filing to the commission or division, or
5 subject to a commission- or division-initiated investigation, or any public utility distributing
6 electricity or gas whose retail rates would be affected by a proceeding before an agency of the
7 federal government or a federal court, shall be charged with and shall pay a portion of the expenses
8 reasonably so incurred by the commission and by the division for the purchase of materials and for
9 the employment of legal counsel, official stenographers, engineers, accountants, and expert
10 witnesses, and for travel and other necessary expenses as are reasonably attributable to the
11 investigation or the hearing of the proposal by the commission and the division, or to the
12 administrator's representation of the state before federal or state courts or an agency of the federal
13 government. The administrator or the commission chairperson, as appropriate, shall ascertain the
14 expenses and shall determine the amount to be paid by the public utility company or companies,
15 and bills shall be rendered therefor either at the conclusion of the investigation or hearing, or from
16 time to time during its progress, and the amount of each bill so rendered shall be paid by the public
17 utility to the administrator or the commission, as appropriate, within thirty (30) days from the date
18 of its rendition unless, within the thirty-day (30) time period, the public utility so billed shall request
19 an opportunity to be heard by the commission as to the amount thereof. The commission shall
20 comply with any such request. Any amount of the bill not paid within thirty (30) days from the date
21 of service of the determination upon the hearing, or, if none shall be requested, within thirty (30)
22 days from the date of rendition of the bill, shall draw interest at the rate of twelve percent (12%)
23 per annum. At the discretion of the administrator, or the commission chairperson, as appropriate,
24 utility companies may be prebilled for contractual services utilized by the commission or division.
25 Any revenue received from public utilities not expended upon the completion of the case will be
26 promptly reimbursed to the utility company. The total amount that may be charged to any public
27 utility under authority of this section for proceedings before the commission or division or in related
28 appeals before state or federal courts in any calendar year shall not exceed seven hundred and fifty
29 thousand dollars (\$750,000), provided, however, that ~~any~~ for utilities with gross intrastate
30 operating revenues exceeding four hundred million dollars (\$400,000,000) in any calendar year,
31 the total amount charged shall be the greater of seven hundred fifty thousand dollars (\$750,000) or
32 fifteen hundredths of a percent (0.15%) of the annual gross intrastate operating revenue, indirect
33 cost recovery obligations pursuant to § 35-4-27 shall constitute a separate and additional assessment
34 to public utilities to be added to the foregoing expense assessment ~~limit~~ limits; in addition, the total

1 amount that may be charged against any public utility under authority of this section for the
2 administrator's representation of the state before agencies of the federal government in any calendar
3 year shall not exceed ~~two hundred and fifty thousand dollars (\$250,000)~~ five hundred thousand
4 dollars (\$500,000). All moneys collected by the administrator or the commission pursuant to this
5 section shall be paid by him or her monthly to the general treasurer to be added to the public utilities
6 reserve fund.

7 (c) The division of public utilities and carriers shall adopt by regulation, a fee schedule for
8 all telecommunications filings, including initial applications and annual registrations, by
9 telecommunications providers that are not otherwise subject to the provisions of subsection (a) or
10 (b) of this section. The money assessed and paid shall be paid into the general fund and shall not
11 be a part of the public utilities reserve fund.

12 (d) The general assembly shall annually appropriate such sums as it may deem necessary
13 for the salaries of the commissioners and their expenses incurred in the performance of their duties,
14 and for the operations of the commission and the division and payment of such office expenses and
15 assistance as from time to time may be required. The state controller is authorized and directed to
16 draw his or her orders upon the general treasurer for the payment of such sum, or so much thereof,
17 as may be required from time to time upon receipt by him or her of vouchers approved by the
18 administrator or his or her authorized agent.

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

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO PUBLIC UTILITIES AND CARRIERS -- PUBLIC UTILITIES COMMISSION

1 This act would amend the total amount of expenses that may be charged to a utility for
2 those expenses related to a commission or division initiated investigation of public utilities with
3 gross intrastate operating revenues exceeding four hundred million dollars (\$400,000,000).

4 This act would take effect upon passage.

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