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SENATE BILL NO. 680

AMENDMENT IN THE NATURE OF A SUBSTITUTE
 (Proposed by the Senate Committee on Commerce and Labor)
 (Patron Prior to Substitute—Senator Puckett)
 Senate Amendments in [] — February 10, 2010

A BILL to amend and reenact § 56-238 of the Code of Virginia, relating to the regulation of investor-owned electric utilities.

Be it enacted by the General Assembly of Virginia:

1. That § 56-238 of the Code of Virginia is amended and reenacted as follows:

§ 56-238. Suspension of proposed rates, etc.; investigation; effectiveness of rates pending investigation and subject to bond; fixing reasonable rates, etc.

The Commission, either upon complaint or on its own motion, may suspend the enforcement of any or all of the proposed rates, tolls, charges, rules or regulations, of any public utility except an investor-owned electric public utility for a period not exceeding 150 days from the date of filing, and the Commission shall suspend the enforcement of all of the proposed rates, tolls, charges, rules or regulations of an investor-owned electric public utility until the Commission's final order in the proceeding, during which time it times the Commission shall investigate the reasonableness or justice of the proposed rates, tolls, charges, rules and regulations and thereupon fix and order substituted therefor such rates, tolls, charges, rules and regulations as shall be just and reasonable. The Commission's final order in such a proceeding involving an investor-owned electric public utility that is filed after January 1, 2010, shall be entered not more than nine months after the date of filing, at which time the suspension period shall expire, and any revisions in rates or credits so ordered shall take effect not more than 60 days after the date of the order. Notice of the suspension of any proposed rate, toll, charge, rule or regulation shall be given by the Commission to the public utility, prior to the expiration of the thirty 30 days' notice to the Commission and the public heretofore provided for. If the proceeding has not been concluded and an order made at the expiration of the suspension period, after notice to the Commission by the public utility making the filing, the proposed rates, tolls, charges, rules or regulations shall go into effect. Where increased rates, tolls or charges are thus made effective, the Commission shall, by order, require the public utility to furnish a bond, to be approved by the Commission, to refund any amounts ordered by the Commission, to keep accurate accounts in detail of all amounts received by reason of such increase, and upon completion of the hearing and decision, to order such public utility to refund, with interest at a rate set by the Commission, the portion of such increased rates, tolls or charges by its decision found not justified. The Commission shall prescribe all necessary rules and regulations to effectuate the purposes of this section on or before September 1, 1980. This section shall not apply to proceedings conducted pursuant to § 56-245 or 56-249.6.

2. That an incumbent electric utility that was, as of July 1, 1999, not bound by a rate case settlement adopted by the State Corporation Commission that extended in its application beyond January 1, 2002, [may shall] suspend the collection of interim rates during the pendency of the Commission's consideration of the utility's application brought pursuant to subsection A of § 56-585.1 of the Code of Virginia and filed on July 15, 2009. To determine if a refund is required for the period when interim rates were in effect before such suspension, the Commission shall offset any required refund, which is the amount of revenue collected while the interim rates were in effect that exceeds the amount approved by the Commission in its final order on the utility's application, by the amount of revenue that the utility would have collected had the rates ultimately approved by the Commission in its final order on the utility's application been in effect during the period between the date such suspension commenced and the effective date of the rates approved by the Commission in its final order. The Commission shall issue its final order on the utility's application not later than July 15, 2010, for rates to become effective for bills rendered on and after August 1, 2010, notwithstanding the provisions of subsection A of § 56-235.4 of the Code of Virginia.

3. That an emergency exists and this act is in force from its passage.

ENGROSSED

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