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SENATE BILL NO. 147

Offered January 20, 1994

A BILL to amend and reenact §§ 56-265.13:5, 56-265.13:6, and 56-265.13:7 of the Code of Virginia, relating to notice of rate changes for small water and sewer public utilities.

Patrons—Colgan, Cross, Holland, C.A., Russell and Walker; Delegates: Abbitt, Councill, Croshaw, Dillard, Robinson, Thomas and Woodrum

Referred to the Committee on Commerce and Labor

Be it enacted by the General Assembly of Virginia:

1. That §§ 56-265.13:5, 56-265.13:6, and 56-265.13:7 of the Code of Virginia are amended and reenacted as follows:

§ 56-265.13:5. Notice of rate changes.

A. A small water or sewer utility shall make a copy of its current rates, charges, fees, rules and regulations available for public inspection during regular business office hours in its designated business office where bills can be paid.

B. ~~A~~ *Unless a small water or sewer utility shall notify notifies* in writing all of its customers of any changes in its rates, charges, fees, rules and regulations at least forty-five days in advance of any change in any one of them, *the utility shall not make any such changes.* A copy of such notification shall be forwarded to the Commission at the same time as provided to the customers. The notice to the customers shall identify the nature of the change, the effective date of the change, and in the case of changes in rates, fees, and charges, shall identify the new rates, fees, and charges.

§ 56-265.13:6. Public hearing on application; prohibition of multiple rate increases within any twelve-month period.

A. Upon application to the Commission by at least twenty-five percent of all customers affected by a rate change or by 250 affected customers, whichever number is lesser, or by the small water or sewer utility itself, or by the Commission, upon its own motion, a hearing shall be held after at least thirty days' notice to the small water or sewer utility and to its customers. The Commission may order such improvements or changes in service, regulations, measurements, practices, acts, and rates of such utility as are just and reasonable.

When a hearing is ordered, the Commission shall have the authority to ~~declare~~ *suspend* such rates, tolls, and charges *for no more than sixty days and to declare them* to be interim *thereafter* and subject to refund with interest until such time as the Commission has made its final determination in the proceeding. Upon completion of the hearing and decision, the Commission may order such public utility to refund, with interest at a rate set by the Commission, the portion of such rates, tolls, or charges found not justified by its decision.

B. ~~The rates or charges~~ *customers* of a small water or sewer utility shall not be ~~increased~~ *notified of an increase in the utility's rates or charges* more than once within any twelve-month period. This limitation shall not ~~apply to~~ *prohibit applications for* increases in rates or charges pursuant to § 56-245.

§ 56-265.13:7. Regulation by State Corporation Commission.

A. Every small water or sewer utility subject to this chapter shall be subject only to the following provisions: §§ ~~56-233.1~~ 56-234.4, ~~56-235.1~~, 56-236, 56-239, 56-245.1, 56-246, 56-247.1 through 56-248, 56-249 through 56-249.2, 56-250, 56-254, 56-256 through 56-265, and Chapters 1 (§ 56-1 et seq.), 2 (§ 56-47 et seq.) and 10.1 (§ 56-265.1 et seq.) of Title 56. Small water or sewer utilities shall not be subject to Chapters 3 (§ 56-55 et seq.) and 4 (§ 56-76 et seq.) of Title 56.

B. The Commission is authorized to promulgate any rules necessary to implement this chapter.

INTRODUCED

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