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SENATE BILL NO. 295

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Corporations, Insurance and Banking
on February 19, 1998)

(Patron Prior to Substitute—Senator Reynolds)

A BILL to amend and reenact § 56-240 of the Code of Virginia, relating to public service companies; certificate to furnish public utility service; refund or credit for excessive charges.

Be it enacted by the General Assembly of Virginia:

1. That § 56-240 of the Code of Virginia is amended and reenacted as follows:

§ 56-240. Proposed rates, etc., or changes thereof, not suspended effective subject to later change by Commission; refund or credit; appeal; investor-owned public utilities required to show increase complies with § 56-235.2.

Unless the Commission so suspends such schedule of rates, tolls, charges, rules and regulations, or changes thereof, the same shall go into effect as originally filed by any public utility as defined in § 56-232, upon the date specified in the schedule subject, however, to the power of the Commission, upon investigation thereafter, to fix and order substituted therefor such rate or rates, tolls, charges, rules, or regulations, as shall be just and reasonable, as provided in §§ 56-235 and 56-247. The Commission may thereupon, in its discretion, order such public utility to refund or give credit promptly to the parties entitled thereto any portion or all of the charges originally filed by the public utility which may have been collected or received in excess of those charges finally fixed and ordered substituted therefor by the Commission. *Rates of any utility found to be operating in violation of § 56-265.3 may be deemed subject to refund by the Commission, on its own motion, as of the date of the Commission's order finding that the utility was operating in violation of § 56-265.3. Such rates shall then be interim in nature and subject to refund until such time as the Commission has determined the appropriateness of the rates. Any amount of the rates found excessive by the Commission shall be subject to refund with interest, as may be ordered by the Commission.*

From any action of the Commission in prescribing rates, refunds, credits, tolls, charges, rules and regulations or changes thereof, an appeal may be taken by the corporation whose rates, refunds, credits, tolls, charges, rules and regulations or changes thereof are affected, or by the Commonwealth, or by any person deeming himself aggrieved by such action.

No rate increase shall go into effect under the provisions of this section for an investor-owned gas, telephone or electric public utility unless such public utility has filed with its schedule information and data designed to show that any increase complies with the just and reasonable requirements of § 56-235.2, and unless based thereon the Commission finds a reasonable probability that the increase will be justified upon full investigation and hearing. The Commission is authorized to promulgate any rules necessary to implement this provision.