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HOUSE BILL NO. 739

Offered January 23, 1998

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

Patrons—McQuigg, Callahan, Marshall, Parrish, Purkey and Rollison; Senators: Barry, Chichester and Colgan

Referred to Committee on Corporations, Insurance and Banking

Be it enacted by the General Assembly of Virginia:

1. That §§ 56-265.13:5 and 56-265.13:6 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. ~~Unless a~~ A small water or sewer utility ~~notifies~~ shall notify 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 authorized by the Commission pursuant to § 56-265.13:6.~~ A copy of such customer 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 a small water or sewer utility's affected~~ 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 ~~concerning any proposed changes in the small water or sewer utility's rates, charges, fees, rules or regulations.~~ The Commission may order such improvements or changes in service, measurements, practices, acts, rates, charges, fees, and rules and regulations of such utility as are just and reasonable. ~~No interim rates, fees, or charges shall be permitted or authorized by the Commission.~~

~~When a hearing is ordered, the Commission shall have the authority to suspend such rates, charges, fees, and rules and regulations for no more than sixty days or to declare them to be interim, or both. Interim rates, fees, and charges shall be 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, charges, or fees found not justified by its decision.~~

B. ~~A~~ The Commission shall not authorize a small water or sewer utility ~~shall not implement an~~ to increase ~~in the utility's~~ its rates or charges more than once within any twelve-month period. This limitation shall not prohibit applications for increases in rates or charges pursuant to § 56-245.

INTRODUCED

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