

WEST VIRGINIA LEGISLATURE

2016 REGULAR SESSION

Introduced

House Bill 4584

FISCAL
NOTE

BY DELEGATE UPSON

[Introduced February 17, 2016; Referred
to the Committee on Government Organization then
Finance.]

1 A BILL to amend and reenact §24-2-2 of the Code of West Virginia, 1931, as amended, relating
 2 generally to public service districts; prohibiting shifting future development costs onto
 3 existing public service district customers.

Be it enacted by the Legislature of West Virginia:

1 That §24-2-2 of the Code of West Virginia, 1931, as amended, be amended and reenacted
 2 to read as follows:

ARTICLE 2. POWERS AND DUTIES OF PUBLIC SERVICE COMMISSION.

§24-2-2. General power of commission to regulate public utilities.

1 (a) The commission is hereby given power to investigate all rates, methods and practices
 2 of public utilities subject to the provisions of this chapter; to require them to conform to the laws
 3 of this state and to all rules, regulations and orders of the commission not contrary to law; and to
 4 require copies of all reports, rates, classifications, schedules and timetables in effect and used by
 5 the public utility or other person, to be filed with the commission, and all other information desired
 6 by the commission relating to the investigation and requirements, including inventories of all
 7 property in such form and detail as the commission may prescribe. The commission may compel
 8 obedience to its lawful orders by mandamus or injunction or other proper proceedings in the name
 9 of the state in any circuit court having jurisdiction of the parties or of the subject matter, or the
 10 Supreme Court of Appeals direct, and the proceedings shall have priority over all pending cases.
 11 The commission may change any intrastate rate, charge or toll which is unjust or unreasonable
 12 or any interstate charge with respect to matters of a purely local nature which have not been
 13 regulated by or pursuant to an act of Congress and may prescribe a rate, charge or toll that is just
 14 and reasonable, and change or prohibit any practice, device or method of service in order to
 15 prevent undue discrimination or favoritism between persons and between localities and between
 16 commodities for a like and contemporaneous service. But in no case shall the rate, toll or charge
 17 be more than the service is reasonably worth, considering the cost of the service. Every order
 18 entered by the commission shall continue in force until the expiration of the time, if any, named

19 by the commission in the order, or until revoked or modified by the commission, unless the order
20 is suspended, modified or revoked by order or decree of a court of competent jurisdiction:
21 *Provided*, That in the case of utilities used by emergency shelter providers, the commission shall
22 prescribe such rates, charges or tolls that are the lowest available. "Emergency shelter provider"
23 means any nonprofit entity which provides temporary emergency housing and services to the
24 homeless or to victims of domestic violence or other abuse.

25 (b) Notwithstanding any other provision of this code to the contrary, rates are not
26 discriminatory if, when considering the debt costs associated with a future water or sewer project
27 which would not benefit existing customers, the commission establishes rates which ensure that
28 the future customers to be served by the new project are solely responsible for the debt costs
29 associated with the project. Improvements that increase flow capacity for new customers and
30 provide new infrastructure for new customers for water and sewer utilities may not result in
31 increased rates for existing customers.

NOTE: The purpose of this bill is to prohibit increasing rates of existing public service district customers to provide for increased services for new customers.

Strike-throughs indicate language that would be stricken from a heading or the present law, and underscoring indicates new language that would be added.