LC005092

### 2018 -- H 7875

# STATE OF RHODE ISLAND

### IN GENERAL ASSEMBLY

#### JANUARY SESSION, A.D. 2018

### AN ACT

#### RELATING TO PUBLIC UTILITIES AND CARRIERS - PUBLIC UTILITIES COMMISSION

<u>Introduced By:</u> Representatives Hull, Azzinaro, Perez, Morin, and Walsh <u>Date Introduced:</u> February 28, 2018 <u>Referred To:</u> House Corporations

It is enacted by the General Assembly as follows:

SECTION 1. Section 39-1-1 of the General Laws in Chapter 39-1 entitled "Public
 Utilities Commission" is hereby amended to read as follows:

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#### <u>39-1-1. Declaration of policy -- Purposes.</u>

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(a) The general assembly finds and therefore declares that:

5 (1) The businesses of distributing electrical energy, producing and transporting 6 manufactured and natural gas, operating water works and furnishing supplies of water for 7 domestic, industrial, and commercial use, offering to the public transportation of persons and 8 property, furnishing and servicing telephonic and wireless audio and visual communication 9 systems, and operation of community antenna television systems are affected with a public 10 interest;

(2) Supervision and reasonable regulation by the state of the manner in which such
businesses construct their systems and carry on their operations within the state are necessary to
protect and promote the convenience, health, comfort, safety, accommodation, and welfare of the
people, and are a proper exercise of the police power of the state;

(3) Preservation of the state's resources, commerce, and industry requires the assurance of adequate public transportation and communication facilities, water supplies, and an abundance of energy, all supplied to the people with reliability, at economical cost, and with due regard for the preservation and enhancement of the environment, the conservation of natural resources, including scenic, historic, and recreational assets, and the strengthening of long-range, land-use 1 planning.

2 (b) It is hereby declared to be the policy of the state to provide fair regulation of public 3 utilities and carriers in the interest of the public, to promote availability of adequate, efficient and 4 economical energy, communication, and transportation services and water supplies to the 5 inhabitants of the state, to provide just and reasonable rates and charges for such services and supplies, without unjust discrimination, undue preferences or advantages, or unfair or destructive 6 7 competitive practices, and to co-operate with other states and agencies of the federal government 8 in promoting and coordinating efforts to achieve realization of this policy.

9 (c) To this end, there is hereby vested in the public utilities commission and the division 10 of public utilities and carriers the exclusive power and authority to supervise, regulate, and make 11 orders governing the conduct of companies offering to the public in intrastate commerce energy, 12 communication, and transportation services and water supplies for the purpose of increasing and 13 maintaining the efficiency of the companies, according desirable safeguards and convenience to 14 their employees and to the public, and protecting them and the public against improper and 15 unreasonable rates, tolls and charges by providing full, fair, and adequate administrative 16 procedures and remedies, and by securing a judicial review to any party aggrieved by such an 17 administrative proceeding or ruling.

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(d) The legislature also finds and declares, as of 1996, the following:

19 (1) That lower retail electricity rates would promote the state's economy and the health 20 and general welfare of the citizens of Rhode Island;

21 (2) That current research and experience indicates that greater competition in the 22 electricity industry would result in a decrease in electricity rates over time;

23 (3) That greater competition in the electricity industry would stimulate economic growth;

24 (4) That it is in the public interest to promote competition in the electricity industry and to establish performance based ratemaking for regulated utilities; 25

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(5) That in connection with the transition to a more competitive electric utility industry, 27 public utilities should have a reasonable opportunity to recover transitional costs associated with 28 commitments prudently incurred in the past pursuant to their legal obligations to provide reliable 29 electric service at reasonable costs;

30 (6) That it shall be the policy of the state to encourage, through all feasible means and 31 measures, states where fossil-fueled electric generating units producing air emissions affecting 32 Rhode Island air quality are located to reduce such emissions over time to levels that enable cost 33 effective attainment of environmental standards within Rhode Island;

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(7) That in a restructured electrical industry the same protections currently afforded to

1 low income customers shall continue.

2 (e) The legislature further finds and declares as of 2006:

3 (1) That prices of energy, including especially fossil-fuels and electricity, are rising faster 4 than the cost of living and are subject to sharp fluctuations, which conditions create hardships for 5 many households, institutions, organizations, and businesses in the state;

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(2) That while utility restructuring has brought some benefits, notably in transmission and 7 distribution costs and more efficient use of generating capacities, it has not resulted in 8 competitive markets for residential and small commercial industrial customers, lower overall 9 prices, or greater diversification of energy resources used for electrical generation;

10 (3) That the state's economy and the health and general welfare of the people of Rhode 11 Island benefit when energy supplies are reliable and least-cost; and

12 (4) That it is a necessary move beyond basic utility restructuring in order to secure for 13 Rhode Island, to the maximum extent reasonably feasible, the benefits of reasonable and stable 14 rates, least-cost procurement, and system reliability that includes energy resource diversification, 15 distributed generation, and load management.

16 (f) The legislature further finds and declares that the state benefits most when energy

17 supplies are delivered in a safe and reliable manner; and that attempts to lower costs and increase

18 profits must not take precedence over the need for the residents of the state to have access to

19 customer service representatives physically located and accessible within the state.

20 SECTION 2. Chapter 39-2 of the General Laws entitled "Duties of Utilities and Carriers" 21 is hereby amended by adding thereto the following section:

22 39-2-26. Duty to maintain customer service operations within the state. Every 23 public utility operated and licensed to provide services to the residents and businesses within the 24 state under chapter 1 of title 39 shall maintain a customer service operation physically located 25 within the state which is reasonably staffed to meet the expectations of the public. The customer 26 service operation shall be available to answer customer inquiries, meet with customers, accept payment of bills, and perform any other services that the public utilities commission may direct 27 28 from time to time. 29 SECTION 3. This act shall take effect upon passage.

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### EXPLANATION

### BY THE LEGISLATIVE COUNCIL

### OF

# AN ACT

## RELATING TO PUBLIC UTILITIES AND CARRIERS - PUBLIC UTILITIES COMMISSION

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- 1 This act would require all public utilities to maintain a customer service facility within
- 2 the state to perform services such as addressing customer inquiries and accepting bill payments.
  - This act would take effect upon passage.

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