

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2010

A N A C T

RELATING TO PUBLIC UTILITIES AND CARRIERS -- REGULATORY POWERS OF
ADMINISTRATION

Introduced By: Senator Juan M. Pichardo

Date Introduced: February 11, 2010

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 39-3-11.1 of the General Laws in Chapter 39-3 entitled "Regulatory
2 Powers of Administration" is hereby amended to read as follows:

3 **39-3-11.1. Changes in rates of publicly owned water authorities.** -- (a)

4 Notwithstanding any other provisions of this chapter, the commission shall not have the power to
5 suspend the taking effect of any change or changes in the rates, tolls, and charges filed and
6 published in compliance with the requirements of sections 39-3-10 and 39-3-11 by any public
7 waterworks or water service owned or furnished by a city, town, or any other municipal
8 corporation defined as a public utility in section 39-1-2, when the change or changes are proposed
9 to be made solely for the purpose of making payments or compensation to any city or town for
10 reimbursement of any loans or advances of money previously issued to any public waterworks or
11 water service by any city or town under existing contracts or arrangements; provided, however,
12 that the change or changes shall take effect subject to refund or credit pending further
13 investigation, hearing, and order by the commission within eight (8) months after the effective
14 date. The public waterworks or water service shall file with the commission the new rate schedule
15 along with the documentary evidence of the indebtedness supporting the new rates. Further, the
16 rate schedule shall be published in a newspaper of general circulation in the service area by the
17 waterworks or water service at least ten (10) days prior to the effective date thereof.

18 (b) The provisions of this section shall not be construed to bar recovery of loans or

1 advances of money not otherwise reflected in existing rates, tolls, and charges issued to May 19,
2 1982.

3 (c) In setting rates for publicly owned water authorities, the commission shall not require
4 the payment of rental fees for fire hydrants from any municipality that has prohibited such fees by
5 ordinance and has given notice to the commission of said ordinance.

6 SECTION 2. Chapter 45-39 of the General Laws entitled "Sale of Water" is hereby
7 amended by adding thereto the following section:

8 **45-39-4. Payment for hydrant rentals.** – Notwithstanding any general or public law to
9 the contrary relating to publicly owned water authorities, the city of Providence may provide by
10 enactment of an ordinance, and complying with the notice requirements of section 39-3-11.1,
11 which provides that the rental fees for any fire hydrants within their respective cities shall be the
12 responsibility of the ratepayer.

13 SECTION 3. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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1 This act would transfer the costs associated with fire hydrants from property taxpayers to
2 ratepayers by allowing the city of Providence to pass an appropriate ordinance to avoid payment
3 of hydrant rental fees.

4 This act would take effect upon passage.

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