

HB 2167 -- PUBLIC SERVICE COMMISSION

SPONSOR: O'Donnell

This bill modifies duties of the Public Service Commission. In its main provisions, the bill:

- (1) Specifies that there shall be no more than one Commission member from any Congressional district on the Public Service Commission;
- (2) Authorizes any party to a proceeding before the Commission to request the Commission adopt protections of information more restrictive than afforded by the Commission's rules;
- (3) Requires the Commission to employ a balancing test as specified in the bill to determine whether protection from disclosure is warranted if federal law or regulation does not require protection of certain information furnished by the Commission;
- (4) Specifies that the Office of Public Counsel may only be permitted to file certain appeals or intervene in an action if expressly authorized to do so by the director of the department to which the Office of the Public Counsel reports;
- (5) Requires the Governor to appoint a Public Counsel. Currently the Director of the Department of Economic Development appoints a Public Counsel;
- (6) Specifies the duties of the Public Counsel while representing the interests of the public;
- (7) Repeals provisions relating to the Public Counsel's right to appeal orders of the Commission;
- (8) Specifies that the test year of any rate proceeding must be a future year utilizing a 12-month period ending no later than 24 months after the filing of rate schedules stating new base rates and new base rates may not go into effect before the first day of the future test year;
- (9) Specifies that for an electrical corporation, the Commission must use the actual rate base for all rate base components as specified in the bill;
- (10) Specifies that if a public utility is not an electrical corporation, within 60 days of the end of the future test year, the public utility must update its base rates that were approved by the Commission to reflect the total rate base at the end of the future test year;
- (11) Requires the test year selected by the public utility be used for setting base rates in proceedings;
- (12) Authorizes the Public Counsel, the staff of the Commission, and intervenors to propose adjustments or other changes to the revenue requirement of the test year selected by the public utility;
- (13) Requires the Commission, in any rate proceeding, to evaluate a public utility on a stand-alone basis and, for purposes of

establishing the revenue requirement, use such public utility's test year capital structure, unless the Commission finds that the public utility's capital structure is impudent;

(14) Creates the "Streamlined Base Rate Procedures Act" under which a public utility may file an application to adjust its base rates;

(15) Specifies that the Commission may not reject an application for new base rates on the basis that it is filed under the Act;

(16) Specifies that the public utility's application shall include its direct testimony and responses to the data requests as specified in the bill;

(17) Sets the test year for proceedings under the Act be a future year utilizing a 12-month period ending no later than 24 months after the filing of a rate application;

(18) Prohibits new base rates from going into effect before the first day of the future test year;

(19) Requires, for electrical corporations that the Commission to use actual rate base for all rate base components as specified in the bill;

(20) Specifies that for public utilities that are not electrical corporations, within 60 days of the end of the future test year, the utility must update its base rates that were approved by the Commission in its final order to reflect the total rate base at the end of the future test year;

(21) Requires the Commission to evaluate a public utility on a stand-alone basis in any application filed by a public utility for new base rates;

(22) Requires the Commission to create a form set of no more than 100 data requests. Commission staff, public counsel, and intervening parties may obtain information from the public utility through data requests concerning certain specified items;

(23) Creates certain proceeding deadlines to be incorporated into a procedural schedule adopted by the Commission;

(24) Allows the administrative law judge to grant parties a reasonable extension of such deadlines;

(25) Requires the Commission to convene, within 130 days after filing of an application, at least one but no more than three public hearings to accept public comment within the area the public utility provides service;

(26) Requires the Commission to convene , if requested by the applicant, no later than 90 days after the filing of the application a mandatory settlement conference to be attended by all parties not later than 135 days after filing of the application;

(27) Specifies that the Commission must issue a proposed order adjudicating all open issues not later than 205 days after the filing of the application and parties must file any comments on the proposed order with 10 days of issuance;

(28) Requires the Commission to issue a final order setting the public utility's revenue requirement no later than 230 days after the filing of the application;

(29) Specifies that in any proceeding filed under the Act, the base rates go into effect no later than 255 days after the date the public utility filed the application on an interim basis if the Commission has not issued an order approving compliance tariff sheets consistent with the Commission's final order;

(30) Allows an electrical corporation, gas corporation, heating company to elect to base its return on equity on the fully-litigated case 12-month average from the most recent report issued in the Regulatory Research Associates Regulatory Focus publication for the applicable utility type, in lieu of using a projected return on equity;

(31) Requires the Commission to consider all admissible evidence on return on equity and select a reasonable return on equity for a public utility that chooses not to or cannot elect the return on equity treatment;

(32) Requires that any statute, rule, judicial interpretation, and appellate decisions that are inconsistent with the policy to favor and promote settlement of cases are abrogated and as to the settlement agreements in base rate cases, the only process that is due to a non-settling party are specified in the bill; and

(33) Specifies that settlement agreements reached between a public utility and the Commission staff are to be presumed reasonable, and the Commission shall approve the settlement agreements and issue a final order setting the utility's revenue requirement based on the terms in the agreement absent specified findings by the Commission.

This bill is similar to SB 1280 (2024).