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LEGISLATIVE ACTION

Senate	.	House
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Floor: 1/R/2R	.	Floor: SENAT/RC
03/11/2016 05:05 PM	.	03/11/2016 10:38 AM
	.	

Senator Hays moved the following:

Senate Amendment (with directory and title amendments)

Between lines 173 and 174

insert:

(7) The commission shall determine the reasonableness of rate case expenses and shall disallow all rate case expenses determined to be unreasonable. No rate case expense determined to be unreasonable shall be paid by a consumer.

(a) In determining the reasonable level of rate case expense, the commission shall consider the following criteria as a basis for disallowing such rate case expense when the criteria



291762

12 are specifically raised in writing by the Public Counsel, an
13 intervenor, or commission staff:

14 1. The extent to which a utility has utilized or failed to
15 utilize the provisions of paragraph (4) (a) or paragraph (4) (b).

16 2. Whether the customers have received a material benefit
17 as a result of the rate case.

18 3. The amount of time between each rate case.

19 4. The extent to which, at the time of the initial filing,
20 the utility filed complete documentation as required by
21 commission rule, including, but not limited to, minimum filing
22 requirements.

23 5. Whether the utility's rate case filing seeks
24 preferential benefits to shareholders, owners, or nonregulated
25 affiliates.

26 6. The proportion of any rate increase approved by the
27 commission as compared to the amount initially requested by the
28 utility.

29 7. The amount of overall rate case expense incurred and
30 requested as compared to the amount of rate increase approved by
31 the commission.

32 8. The utility management's culpability in causing any
33 deficiencies in the quality of service provided by the utility.

34 9. ~~and~~ Such other criteria as the commission ~~it~~ may
35 establish by rule.

36 (b) If any of the criteria specified under paragraph (a)
37 are specifically contested in an evidentiary proceeding, the
38 commission shall make specific findings of fact, supported by
39 competent, substantial evidence, for each criterion and the
40 extent to which each criterion benefits the customer. The



291762

41 commission may allocate the benefits between the customers and
42 the shareholders, owners, or affiliates accordingly and may
43 disallow rate case expense in accordance with the specific
44 findings of fact.

45

46 ===== D I R E C T O R Y C L A U S E A M E N D M E N T =====

47 And the directory clause is amended as follows:

48 Delete line 68

49 and insert:

50 (4) and subsection (7) are amended, subsection (8) is renumbered
51 as subsection (10),

52

53 ===== T I T L E A M E N D M E N T =====

54 And the title is amended as follows:

55 Delete line 21

56 and insert:

57 specified expense items; requiring the commission to
58 consider certain criteria in determining the
59 reasonableness of rate case expenses, when
60 specifically raised in writing by certain parties;
61 specifying standards for evidentiary proceedings
62 involving challenges to such criteria; authorizing the
63 commission to allocate benefits between the customers
64 and shareholders, owners, or affiliates and to
65 disallow rate case expense under certain
66 circumstances; specifying the time period