

No. 1982-40

## AN ACT

HB 642

Amending the act of May 1, 1933 (P.L.103, No.69), entitled "An act concerning townships of the second class; and amending, revising, consolidating, and changing the law relating thereto," providing for the manufacture and sale of electricity by townships of the second class.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. The act of May 1, 1933 (P.L.103, No.69), known as "The Second Class Township Code," reenacted and amended July 10, 1947 (P.L.1481, No.567), is amended by adding an article to read:

**ARTICLE XVI-A**  
**MANUFACTURE AND SALE OF ELECTRICITY**

**Section 1601-A. Manufacture and Sale of Electricity.**—*Any township may manufacture electricity by means of a hydroelectric generating facility owned or operated by the township for the use of the inhabitants of such township. Any township owning or operating a hydroelectric generating facility may make contracts for the sale of electricity to persons engaged in the business of the manufacture or sale of electricity.*

**Section 1602-A. May Regulate Use and Prices.**—*Any township furnishing electricity pursuant to this article may regulate the use of said electricity in dwellings, business places, and other places in such township, and the rate to be charged for the same.*

**Section 1603-A. Sale of Hydroelectric Generating Facilities.**—*By ordinance, a township may sell all or part of its hydroelectric generating facilities to a purchaser for such sale price as the parties may agree upon, and thereafter for all purposes that price shall be deemed to be the purchaser's original cost less accrued depreciation of the plant at the date of purchase.*

**Section 1604-A. Construction or Purchase of Hydroelectric Generating Facilities.**—*Any township may construct or purchase facilities for the purpose of manufacturing electricity by hydroelectric generation. Any township may purchase a hydroelectric generating facility at such price as may be agreed upon by the township and the person, copartnership or a majority of the stockholders of a corporation that owns such facilities.*

**Section 1605-A. Submission to Electors.**—*Before any township shall construct or purchase a hydroelectric generating facility, the question of the increase of the debt of the township shall first be submitted to the qualified voters of the township in the manner provided by law for the increase of indebtedness of municipal corporations.*

***Section 1606-A. Limitation on Indebtedness.—No township which constructs or purchases a hydroelectric generating facility shall incur any indebtedness for the construction or enlargement of a new or existing dam or impoundment structure but may incur indebtedness for repairs or reconstructions of an existing dam or impoundment in connection with the hydroelectric project.***

Section 2. This act shall take effect in 60 days.

APPROVED—The 3rd day of March, A. D. 1982.

DICK THORNBURGH