

No. 1984-123

## AN ACT

SB 58

Amending Title 66 (Public Utilities) of the Pennsylvania Consolidated Statutes, providing for the transportation of property of unusual value, including money and securities, in armored motor vehicles; regulating construction costs of public utilities; and limiting rate increases.

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

Section 1. Title 66 of the Pennsylvania Consolidated Statutes is amended by adding a section to read:

**§ 515. Construction cost of electric generating units.**

*(a) Submission of estimate.—No later than 30 days after construction of an electric generating unit is begun, either in this Commonwealth or in some other state, any public utility operating in this Commonwealth and owning any share in that unit shall submit to the commission an estimate of the cost of constructing that unit. If the public utility acquires ownership of any share in an electric generating unit which is under construction on the date of acquisition, the public utility shall, within 30 days of the date of acquisition, submit an estimate of the cost of constructing that unit which was formulated no later than 30 days from the beginning of construction.*

*(b) Access to evidence.—From and after the beginning of construction of an electric generating unit, the commission, or its designee, and the Consumer Advocate, or his designee, shall have reasonable access to the construction site and to any oral or documentary evidence relevant to determining the necessity and propriety of any construction cost. If a public utility objects to any request by the commission or the Consumer Advocate, or persons designated by the commission or the Consumer Advocate, for access to the construction site or to any oral or documentary evidence, the objection shall be decided in the same manner as an on-the-record proceeding pursuant to Chapter 3 (relating to public utility commission). The affected public utility shall have the burden of proof in sustaining any such objection.*

*(c) Definition.—As used in this section the term “construction” includes any work performed on an electric generating unit which is expected to require the affected public utility to incur an aggregate of at least \$100,000,000 of expenses which, in accordance with generally accepted accounting principles, are capital expenses and not operating or maintenance expenses.*

Section 2. Section 1103 of Title 66 is amended by adding a subsection to read:

**§ 1103.** Procedure to obtain certificates of public convenience.

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*(e) Armored vehicles.—A certificate of public convenience to provide the transportation of property of unusual value, including money and securities, in armored vehicles shall be granted by order of the commission upon application. Such carriers must conform to the rules and regulations of the commission.*

Section 3. Section 1308 of Title 66 is amended by adding a subsection to read:

§ 1308. Voluntary changes in rates.

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*(f) Limitation on rate increases by certain public utilities.—Whenever there is filed with the commission any tariff stating a new rate based in whole or in part on the cost of constructing an electric generating unit, the commission shall compare the estimated construction cost filed in accordance with section 515(a) (relating to construction cost of electric generating units) with the actual construction cost submitted by the utility in support of that tariff. If the actual construction cost exceeds the estimated construction cost, the rate determined by the commission under this section shall not be based on any part of that excess unless the public utility proves that part of the excess to have been necessary and proper. In making its determination under this subsection, the commission shall consider all relevant and material evidence, including evidence obtained pursuant to section 515. For purposes of this subsection “construction” includes any work performed on an electric generating unit which required, or is expected to require, the affected public utility to incur an aggregate of at least \$100,000,000 of expenses which, in accordance with generally accepted accounting principles, are capital expenses and not operating or maintenance expenses.*

Section 4. Section 2503(a) of Title 66 is amended and a subsection is added to read:

§ 2503. Permits required of contract carriers.

(a) General rule.—No person or corporation shall render service as a contract carrier by motor vehicle unless there is in force with respect to such carrier a permit issued by the commission, authorizing such person or corporation to engage in such business. The application for such permit shall be determined by the commission in accordance with the provisions of subsection (b), *except as set forth in subsection (d).*

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*(d) Armored vehicles.—A contract carrier permit to provide the transportation of property of unusual value, including money and securities, in armored vehicles shall be granted by order of the commission upon application. Such carriers must conform to the rules and regulations of the commission.*

Section 5. In the case of construction of an electric generating unit begun, but not completed, prior to the effective date, the affected public utility shall, within 30 days after the effective date, submit an estimate of the cost of constructing that unit which was formulated no later than 30 days from the beginning of construction. For the purposes of 66 Pa.C.S. §§ 515 and 1308(f), such estimates shall be deemed to have been filed in accordance

with section 515(a). The commission shall promulgate rules and regulations to implement sections 515 and 1308(f) as added by this act.

Section 6. This act shall take effect immediately.

APPROVED—The 6th day of July, A. D. 1984.

DICK THORNBURGH