

No. 1995-23

AN ACT

HB 714

Amending Title 66 (Public Utilities) of the Pennsylvania Consolidated Statutes, providing for service to fire hydrants.

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:

§ 1328. Determination of public fire hydrant rates.

(a) General rule.—A public utility that furnishes water to or for the public shall be allowed to recover in rates the full cost of service related to public fire hydrants.

(b) Charge to municipalities and other customers of the public utility.—

(1) In determining the rates to be charged for public fire hydrants by a public utility that furnishes water to or for the public, the commission shall as part of a utility's general rate proceeding provide for the recovery of the costs of public fire hydrants in such a manner that the municipalities in which those public fire hydrants are located are not charged for more than 25% of the cost of service for those public fire hydrants, as such cost of service is reasonably determined by the commission.

(2) The commission shall also as part of the utility's general rate proceeding provide for the recovery of the remaining cost of service for those public fire hydrants not recovered from the municipalities under paragraph (1) by assessing all customers of the public utility the remaining cost of service to the public fire hydrants. The remaining cost of service for those public fire hydrants shall be included in the public utility's fixed or service charge or minimum bill.

(c) Effect on current rates.—The legal rates charged to municipalities for public fire hydrants in effect on the effective date of this section shall remain frozen and shall not be changed until the present rates for those public fire hydrants are determined to be below the 25% ceiling established under subsection (b). The remaining cost of service for those public fire hydrants not recovered from the municipality shall be recovered from all customers of the public utility in the public utility's fixed or service charge or minimum bill.

(d) Definition.—As used in this section, the term "public fire hydrant" means a fire hydrant that is charged, at least in part, to a municipality such as a city, borough, town or township.

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

APPROVED—The 30th day of June, A.D. 1995.

THOMAS J. RIDGE