

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1865 Session of 2023

INTRODUCED BY MATZIE, BOROWSKI, HANBIDGE, KAZEEM, KRUEGER, O'MARA, SAPPEY, McNEILL, MADDEN, DONAHUE, T. DAVIS, PROBST, HADDOCK, KINSEY, FIEDLER, DELLOSO, KRAJEWSKI, MAYES, DALEY, CIRESI, SHUSTERMAN, GREEN, CEPEDA-FREYTIZ, CERRATO, D. WILLIAMS AND FRIEL, NOVEMBER 30, 2023

AS REPORTED FROM COMMITTEE ON CONSUMER PROTECTION, TECHNOLOGY AND UTILITIES, HOUSE OF REPRESENTATIVES, AS AMENDED, APRIL 9, 2024

AN ACT

1 Amending Title 66 (Public Utilities) of the Pennsylvania
2 Consolidated Statutes, in rates and distribution systems,
3 further providing for valuation of acquired water and
4 wastewater systems.

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

7 Section 1. Section 1329(c) of Title 66 of the Pennsylvania
8 Consolidated Statutes is amended to read:

9 § 1329. Valuation of acquired water and wastewater systems.

10 \* \* \*

11 (c) Ratemaking rate base.--The following apply:

12 (1) The ratemaking rate base of the selling utility as
13 calculated under paragraph (2) shall be incorporated into the
14 rate base of:

15 (i) the acquiring public utility during the
16 acquiring public utility's next base rate case; or

1 (ii) the entity in its initial tariff filing.

2 (2) The ratemaking rate base of the selling utility  
3 shall be the lesser of [the] any of the following:

4 (i) The purchase price negotiated by the acquiring  
5 public utility or entity and selling utility [or the].

6 (ii) The fair market value of the selling utility.

7 (iii) 125% of the depreciated original cost as <--  
8 calculated under subsection (d)(5) if the acquisition  
9 does not meet the criteria specified under section  
10 1327(a)(2) or (3) (relating to acquisition of water and  
11 sewer utilities).

12 \* \* \*

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