

2018 -- H 7514

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LC004594
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2018

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A N A C T

RELATING TO WATERS AND NAVIGATION -- PUBLIC DRINKING WATER SUPPLY
SYSTEM PROTECTION

Introduced By: Representatives McLaughlin, Azzinaro, Johnston, McNamara, and
Corvese

Date Introduced: February 08, 2018

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 46-15.3-21 of the General Laws in Chapter 46-15.3 entitled "Public
2 Drinking Water Supply System Protection" is hereby amended to read as follows:

3 **46-15.3-21. Fees, rates and charges.**

4 (a) The fees, rates, and charges for drinking water are a mandatory component of water
5 supply system management.

6 (b) The following factors shall be considered in setting fees, rates, and charges:

7 (1) Recovery of all capital and operating costs, fixed and variable of production,
8 conservation, use, management, protection, obtaining, development, procuring, and/or
9 transporting water, and its sale at wholesale or retail;

10 (2) Marginal cost pricing;

11 (3) Emergency and drought period surcharges;

12 (4) Seasonal price structures;

13 (5) Difference in costs based upon different points of delivery;

14 (6) The effect of fees, rates, and charges on use of water and, where applicable, on
15 wastewater costs and charges;

16 (7) The effect of reducing leakage to levels consistent with stated goals;

17 (8) Preparing, maintaining and implementing water supply system management
18 programs; and

1 (9) Notwithstanding any other provisions of law, the Providence water supply board shall
2 transfer to the general fund of the city of Providence an amount equal to five percent (5%) per
3 annum times the annual gross revenues of the Providence water supply board for the fiscal year
4 ending June 30, 2004, and for the next two (2) succeeding fiscal years. This transfer shall not be
5 included as part of the Providence water supply board's rates approved by a final unappealable
6 order of the public utilities commission for the same three (3) fiscal years.

7 (c) Notwithstanding the provisions of §§ 39-2-2 and 39-2-5, all rates and charges made
8 by water suppliers which decline as quantity used increased are hereby declared to be no longer
9 conducive to sound water supply system management designed to properly conserve, develop,
10 utilize, and protect this finite natural resource. The public utilities commission may order rates for
11 suppliers of water which either do not vary with quantities used or when there is evidence of
12 increasing costs to either the utility or to society, rates which increase as the quantity used
13 increases. If the commission finds that changing rates to comply with this section will cause a
14 hardship to a class of customers, the commission may order that rates for that class of customers
15 be changed to comply with this section over a period of time not to exceed five (5) years.

16 (d) Notwithstanding the provisions of §§ 39-2-2 and 39-2-5, the public utilities
17 commission may order a reduction in rates consistent with the amount by which a supplier
18 exceeds the stated goals for leakage.

19 (e) Persons age sixty-five (65) years and over who have a surcharge or extra charge
20 (hereinafter a "surcharge") applied to their water bill on water used for personal use and
21 consumption shall receive a twenty-five percent (25%) discount on such surcharge. The
22 provisions of this subsection shall not be deemed to authorize the imposition of a surcharge on
23 any water supply bill where persons age sixty-five (65) years and over are already given an
24 exemption from a surcharge. Provided, the twenty-five percent (25%) discount for persons age
25 sixty-five (65) years and over shall be in addition to any partial exemption already given to such
26 persons for a water supply surcharge.

27 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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1 This act would provide that persons age sixty-five (65) years and over who have a
2 surcharge applied to water supplied to them for personal use and consumption would receive a
3 twenty-five percent (25%) discount on such surcharge.

4 This act would take effect upon passage.

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