

1 House BILL NO. 382
 2 INTRODUCED BY Melny Harper

3
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO REQUIRE PUBLIC
 5 UTILITIES FURNISHING GAS OR ELECTRICITY TO FILE CERTAIN
 6 PERIODIC REPORTS WITH THE CONSUMER COUNSEL."

7
 8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

9 Section 1. "Counsel" means the office of consumer
 10 counsel established in section 70-705.

11 Section 2. The department of public service
 12 regulation, in order to assist the counsel in its
 13 activities, shall obtain the information required below with
 14 respect to all utilities (except cooperatives) engaged in
 15 production, delivery, or furnishing for or to other persons,
 16 firms, association, or corporations, private or municipal,
 17 heat, light, or power by means of gas or electricity, and
 18 the counsel shall publish such information at least annually
 19 in reports prepared for and made readily available to the
 20 public, especially in the service area of the utility. The
 21 information to be made available pursuant to this section
 22 with respect to each utility shall include, insofar as
 23 practicable, comparable data for previous years and national
 24 averages and:

25 (1) annual earnings stated as a rate of return on a

- 1 depreciated average original cost rate base;
- 2 (2) annual earnings in dollars as determined pursuant
- 3 to subsection (1);
- 4 (3) capital structure stated as percentage of
- 5 capitalization obtained from long-term debt, preferred
- 6 stock, common stock, and earned surplus;
- 7 (4) average rate of interest on long-term debt;
- 8 (5) rate of return on average common stock equity;
- 9 (6) year-end yield on common stock (annual common
- 10 dividend divided by year-end market price);
- 11 (7) dividend on preferred stock;
- 12 (8) year-end preferred dividend yield (annual
- 13 preferred dividend divided by year-end market price of
- 14 preferred stock);
- 15 (9) year-end price earnings ratio (year-end price per
- 16 share divided by year-end earnings);
- 17 (10) the names and addresses of the one hundred (100)
- 18 principal stockholders including, in those cases where
- 19 voting stock is held by a party other than the beneficial
- 20 owner, the name and address of each beneficial owner of one
- 21 percent (1%) or more of the voting stock in the company to
- 22 the extent such information is available;
- 23 (11) the name and address of each officer and director
- 24 and his annual income from the utility and its parent or
- 25 subsidiary companies, if any;

1 (12) the names and addresses of other companies of
2 which such officers and directors are also officers or
3 directors;

4 (13) the names of directors, if any, who were not
5 nominated by the management of the utility;

6 (14) terms of restricted stock option plans available
7 to officers, directors, and employees (not to include plans
8 available to all employees on equal terms) and including
9 name, title, salary, and retirement benefits of each person
10 to whom stock options have been granted, number of options
11 each has exercised, date on which options were exercised,
12 option price of the stock and market price of the stock when
13 option was exercised;

14 (15) all payments included in any account for rate,
15 management, construction, engineering, research, financial,
16 valuation, legal, accounting, purchasing, advertising, labor
17 relations, public relation, professional, and other
18 consultative services and legislative services rendered
19 under written or oral arrangements by any corporation,
20 partnership, individual (other than for services as an
21 employee), or organization of any kind;

22 (16) all payments included in any account for the
23 purpose of supplying free goods and services or goods and
24 services supplied below the usual charge for the purpose of
25 securing additional customers;

1 (17) all payments included in any account for
2 contribution, gifts, donations, dues, honorariums, and any
3 other gratuities;

4 (18) policy with respect to deposits of customers and
5 service connection charges, if required;

6 (19) rate of interest charged customers by the utility,
7 stated as simple annual interest;

8 (20) rate base valuation and components of the
9 utility's rate base, as determined by the department of
10 public service regulation, expressed in dollar amounts, and
11 including amount permitted in rate base in each of the
12 following categories: accumulated tax deferrals, allowance
13 for working capital, construction work in progress,
14 customers' advances, materials and supplies, plant
15 acquisition adjustment, and plan held for future use;

16 (21) rate base valuation and components of the
17 utility's rate base, as determined by the federal commission
18 having jurisdiction, if any, expressed in dollar amounts;

19 (22) dollar difference in each category and in sum,
20 between the rate base as computed pursuant to subsections
21 (20) and (21);

22 (23) summaries of franchises or certificates of
23 convenience and necessity;

24 (24) with respect to each purchase of fuel, whether
25 coal, oil, gas, or nuclear, including all cost components,

1 the following information: supplier from whom purchased;
 2 producing company; location of mine or mines, well or field
 3 from which fuel is extracted; summary of terms of fuel
 4 purchase contract, including length of contract -- long-term
 5 or spot sale, and price provisions -- fixed price, price
 6 escalation clauses; quantity purchased, stated in tons,
 7 barrels, cubic feet or pounds as appropriate for type of
 8 fuel; price of fuel per ton, barrel, cubic feet, or pound,
 9 as well as stated in cents per million BTU where specified,
 10 at the originating source; cost of transportation per ton,
 11 barrel, cubic foot, or pound of fuel, as well as stated in
 12 cents per million BTU where available; total cost of fuel as
 13 delivered to each power plant per ton, barrel, cubic foot,
 14 or pound, as well as stated in cents per million BTU; cost
 15 of fuel as burned stated in cents per million BTU at each
 16 power plant; and average cost per kilowatt hour of energy
 17 generated at each plant attributable to fuel, exclusive of
 18 costs associated with investment; where more than one (1)
 19 fuel is burned in a plant, composite heat rate for all fuels
 20 used at plant must be shown;

21 (25) a summary of terms of pooling, interconnection,
 22 and exchange agreements;

23 (26) a description of expenses incurred, whether in
 24 payment of money, performance of services, use of officers,
 25 agents, or employees on company time or any other things of

1 value, with respect to:

2 (a) the candidacy, nomination, election, or
 3 appointment of any person for any federal, state, or local
 4 legislative or administrative office, or

5 (b) any other issue for which an official vote of the
 6 people has been authorized, or

7 (c) any lobbying with respect to federal, state, or
 8 local legislative or administrative bodies;

9 (27) the names and addresses of the holders of one
 10 percent (1%) or more of any issue of nonbearer long-term
 11 debt including, in those cases where the debt is held by a
 12 party other than the beneficial owner, the name and address
 13 of each beneficial owner of one percent (1%) or more of any
 14 issue of debt of the company; for this purpose long-term
 15 includes any debt which is not payable on demand or not
 16 scheduled to be fully repaid within one (1) year;

17 (28) the names and addresses of any party who holds or
 18 held more than ten percent (10%) of the short-term debt
 19 (such figure to be derived on the basis of the short-term
 20 debt outstanding as of January 1 of the reporting year) at
 21 any time during the calendar (or repeating) year; including,
 22 in those cases where the liability is held by a party other
 23 than the beneficial owner, the name and address of each
 24 beneficial owner of ten percent (10%) or more of the
 25 short-term debt in the company;

1 (29) brief descriptions of rate schedules currently in
 2 effect for all classes of retail service and facilities,
 3 including but not limited to, residential, rural,
 4 commercial, or industrial service for general or limited
 5 use, which will inform the public accurately in clear,
 6 nontechnical language of the rates, terms of purchase,
 7 character, and conditions of each class of service; and

8 (30) report all sales of electricity or gas in each
 9 county and for each community of one thousand (1,000)
 10 population or more, in the following manner:

11 (a) residential sales -- operating revenues,
 12 kilowatt-hours or cubic feet sold, and average number of
 13 customers per month; and

14 (b) commercial and industrial sales -- operating
 15 revenues, kilowatt-hours or cubic feet sold, and average
 16 number of customers per month.

17 Such information shall be determined on a fiscal or
 18 calendar year basis as may be appropriate and shall be
 19 reported as soon as practicable after the termination of
 20 such year.

21 Section 3. The department of public service regulation
 22 and the department of revenue may conduct such
 23 investigations and make such rules as are necessary to
 24 implement this act. A person who fails to give information
 25 required by this act, or who gives false information

1 violates this act and is subject to the penalties provided
 2 in sections 70-110 and 94-7-203.

-End-

Approved by Committee
on Business and Industry

1 HOUSE BILL NO. 382

2 INTRODUCED BY MELOY, HARPER

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO REQUIRE PUBLIC
5 UTILITIES FURNISHING GAS OR ELECTRICITY TO FILE CERTAIN
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17 heat, light, or power by means of gas or electricity, and
18 the counsel shall publish such information at least annually
19 in reports prepared for and made readily available to the
20 public, especially in the service area of the utility. The
21 information to be made available pursuant to this section
22 with respect to each utility shall include, insofar as
23 practicable, comparable data for previous years and national
24 averages and:

25 (1) annual earnings FROM MONTANA SERVICE stated as a

1 rate of return on a AN depreciated-average original cost
2 rate base;

3 (2) annual earnings in dollars FROM MONTANA SERVICE as
4 determined pursuant to subsection (1);

5 (3) capital structure stated as percentage of
6 capitalization obtained from long-term debt, preferred
7 stock, common stock, and earned surplus;

8 (4) average rate of interest on long-term debt;

9 (5) rate of return on average common stock equity;

10 (6) year-end yield on common stock (annual common
11 dividend divided by year-end market price);

12 (7) dividend on preferred stock;

13 (8) year-end preferred dividend yield (annual
14 preferred dividend divided by year-end market price of
15 preferred stock);

16 (9) year-end price earnings ratio (year-end price per
17 share divided by year-end earnings);

18 (10) the names and addresses of the one hundred (100)
19 principal stockholders including, in those cases where
20 voting stock is held by a party other than the beneficial
21 owner, the name and address of each beneficial owner of one
22 percent (1%) or more of the voting stock in the company to
23 the extent such information is available;

24 (11) the name and address of each officer and director
25 and his annual income from the utility and its parent or

1 subsidiary companies, if any;

2 (12) the names and addresses of other companies of
3 which such officers and directors are also officers or
4 directors;

5 (13) the names of directors, if any, who were not
6 nominated by the management of the utility;

7 (14) terms of restricted stock option plans available
8 to officers, directors, and employees (not to include plans
9 available to all employees on equal terms) and including
10 name, title, salary, and retirement benefits of each person
11 to whom stock options have been granted, number of options
12 each has exercised, date on which options were exercised,
13 option price of the stock and market price of the stock when
14 option was exercised;

15 (15) all payments included in any account for rate,
16 management, construction, engineering, research, financial,
17 valuation, legal, accounting, purchasing, advertising, labor
18 relations, public relation, professional, and other
19 consultative services and legislative services rendered
20 under written or oral arrangements by any corporation,
21 partnership, individual (other than for services as an
22 employee), or organization of any kind;

23 (16) all payments included in any account for the
24 purpose of supplying free goods and services or goods and
25 services supplied below the usual charge for the purpose of

1 securing additional customers;

2 (17) all payments included in any account for
3 contribution, gifts, donations, dues, honorariums, and any
4 other gratuities;

5 (18) policy with respect to deposits of customers and
6 service connection charges, if required;

7 (19) rate of interest charged customers by the utility,
8 stated as simple annual interest;

9 (20) rate base valuation and components of the
10 utility's rate base, as determined by the department of
11 public service regulation, expressed in dollar amounts, and
12 including amount permitted in rate base in each of the
13 following categories: accumulated tax deferrals, allowance
14 for working capital, construction work in progress,
15 customers' advances, materials and supplies, plant
16 acquisition adjustment, and plan held for future use;

17 (21) rate base valuation and components of the
18 utility's rate base, as determined by the federal commission
19 having jurisdiction, if any, expressed in dollar amounts;

20 (22) dollar difference in each category and in sum,
21 between the rate base as computed pursuant to subsections
22 (20) and (21);

23 (23) summaries of franchises or certificates of
24 convenience and necessity;

25 ~~(24) with respect to each purchase of fuel, whether~~

1 coal, oil, gas, or nuclear, including all cost components,
 2 the following information:--supplier--from--whom--purchased,
 3 producing--company,--location--of--mine--or--mines,--well--or--field
 4 from--which--fuel--is--extracted,--summary--of--terms--of--fuel
 5 purchase--contract,--including--length--of--contract---long-term
 6 or--spot--sale,--and--price--provisions---fixed-price,--price
 7 escalation--clauses,--quantity--purchased,--stated--in--tons,
 8 barrels,--cubic--feet--or--pounds--as--appropriate--for--type--of
 9 fuel,--price--of--fuel--per--ton,--barrel,--cubic--feet,--or--pound,
 10 as--well--as--stated--in--cents--per--million--BTU--where--specified,
 11 at--the--originating--source,--cost--of--transportation--per--ton,
 12 barrel,--cubic--feet,--or--pound--of--fuel,--as--well--as--stated--in
 13 cents--per--million--BTU--where--available,--total--cost--of--fuel--as
 14 delivered--to--each--power--plant--per--ton,--barrel,--cubic--feet,
 15 or--pound,--as--well--as--stated--in--cents--per--million--BTU,--cost
 16 of--fuel--as--burned--stated--in--cents--per--million--BTU--at--each
 17 power--plant,--and--average--cost--per--kilowatt--hour--of--energy
 18 generated--at--each--plant--attributable--to--fuel,--exclusive--of
 19 costs--associated--with--investment,--where--more--than--one--(1)
 20 fuel--is--burned--in--a--plant,--composite--heat--rate--for--all--fuels
 21 used--at--plant--must--be--shown;

22 ~~(25)~~ (24) a summary of terms of pooling,
 23 interconnection, and exchange agreements;

24 ~~(26)~~ (25) a description of expenses incurred, whether
 25 in payment of money, performance of services, use of

1 officers, agents, or employees on company time or any other
 2 things of value, with respect to:

3 ~~(a)~~ the candidacy, nomination, election, or
 4 appointment of any person for any federal, state, or local
 5 legislative or administrative office, or

6 ~~(b)~~ (A) any other issue for which an official vote of
 7 the people has been authorized, or

8 ~~(c)~~ (B) any lobbying with respect to federal, state,
 9 or local legislative or administrative bodies;

10 ~~(27)~~ (26) the names and addresses of the holders of one
 11 percent (1%) or more of any issue of nonbearer long-term
 12 debt including, in those cases where the debt is held by a
 13 party other than the beneficial owner, the name and address
 14 of each beneficial owner of one percent (1%) or more of any
 15 issue of debt of the company; for this purpose long-term
 16 includes any debt which is not payable on demand or not
 17 scheduled to be fully repaid within one (1) year;

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 19 holds or held more than ten percent (10%) of the short-term
 20 debt (such figure to be derived on the basis of the
 21 short-term debt outstanding as of January 1 of the reporting
 22 year) at any time during the calendar (or repeating) year;
 23 including, in those cases where the liability is held by a
 24 party other than the beneficial owner, the name and address
 25 of each beneficial owner of ten percent (10%) or more of the

1 short-term debt in the company, TO THE EXTENT SUCH
 2 INFORMATION IS AVAILABLE.

3 ~~(29)~~ (28) brief descriptions of rate schedules
 4 currently in effect for all classes of retail service and
 5 facilities, including but not limited to, residential,
 6 rural, commercial, or industrial service for general or
 7 limited use, which will inform the public accurately in
 8 clear, ~~nontechnical~~ language of the rates, terms of
 9 purchase, character, and conditions of each class of
 10 service; and

11 ~~(30)~~ (29) report all sales of electricity or gas in
 12 each county ~~and for each community of one thousand (1,000)~~
 13 ~~population or more,~~ MONTANA SERVICE AREA in the following
 14 manner:

15 (a) residential sales -- operating revenues,
 16 kilowatt-hours or cubic feet sold, and average number of
 17 customers per month; and

18 (b) commercial and industrial sales -- operating
 19 revenues, kilowatt-hours or cubic feet sold, and average
 20 number of customers per month.

21 Such information shall be determined on a fiscal or
 22 calendar year basis as may be appropriate and shall be
 23 reported as soon as practicable after the termination of
 24 such year, BEGINNING JANUARY 1, 1976.

25 Section 3. The department of public service regulation

1 and the department of revenue may conduct such
 2 investigations and make such rules as are necessary to
 3 implement this act. A person who fails to give information
 4 required by this act, or who gives false information
 5 violates this act and is subject to the penalties provided
 6 in sections 70-110 and 94-7-203.

-End-