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House BILL NO. 360

INTRODUCED BY

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING AN EXCEPTION TO THE ORIGINAL COST RULE WHEN A PUBLIC UTILITY PURCHASES PROPERTY FROM ANOTHER PUBLIC UTILITY; AMENDING SECTION 69-3-109, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

Section 1. Section 69-3-109, MCA, is amended to read:

"69-3-109. Ascertaining property values. The commission may, in its discretion, investigate and ascertain the value of the property of ~~every~~ each public utility actually used and useful for the convenience of the public. The commission is not bound to accept or use any particular value in determining rates; ~~provided, that~~ However, if any value is used, ~~such~~ the value may not exceed the original cost of the property, except that the commission may include all or some of the acquisition cost of property purchased by a public utility from another public utility in the purchasing utility's rate base if the transfer of the property to the purchasing utility is in the public interest. In making ~~such~~ the investigation, the commission may avail itself of all information contained in the assessment rolls of various counties, or in the public records of the various branches of the state government, or of any other information obtainable, and the commission may at any time ~~of~~ on its own initiative make a revaluation of ~~such~~ the property."

NEW SECTION. Section 2. Effective date. [This act] is effective on passage and approval.

-END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for HB0360, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

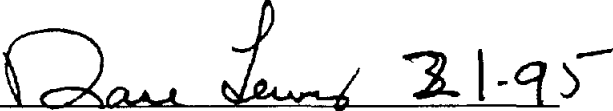
An act providing an exception to the original cost rule when a public utility purchases property from another public utility.

ASSUMPTIONS:

1. This legislation could increase the Public Service Commission (PSC) work load because of increased purchases and sales between utilities. However, there is no accurate way, at this time, to project this work load or the possible fiscal impact.

FISCAL IMPACT:

There is no known fiscal impact to the Public Service Commission.


DAVE LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning


JOE QUILICI, PRIMARY SPONSOR DATE

Fiscal Note for HB0360, as introduced

HB 360

APPROVED BY COM
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House BILL NO. 360

INTRODUCED BY *Julie Miller Lynch* *Peggy Ryan*
Foster Bishop *Harvey* *Arvill Lehman*
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House BILL NO. 360

INTRODUCED BY

Timothy Miller Lynch *Pepi... Ryan*
Foster Bishop *Harold...* *Arthur...*
... *...* *...* *...*
... *...* *...* *...*

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING AN EXCEPTION TO THE ORIGINAL COST RULE WHEN A PUBLIC UTILITY PURCHASES PROPERTY FROM ANOTHER PUBLIC UTILITY; AMENDING SECTION 69-3-109, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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NEW SECTION. Section 2. **Effective date.** [This act] is effective on passage and approval.

-END-



SENATE STANDING COMMITTEE REPORT

Page 1 of 1
March 2, 1995

MR. PRESIDENT:


We, your committee on Business and Industry having had under consideration HB 360 (third reading copy -- blue), respectfully report that HB 360 be amended as follows and as so amended be concurred in.

Signed: 
Senator John R. Hertel, Chair

That such amendments read:

1. Title, line 5.
Following: "PURCHASES"
Insert: "CERTAIN"
Strike: "FROM ANOTHER PUBLIC UTILITY"
2. Page 1, line 15.
Following: "some of"
Strike: "the"
Insert: "an"
Strike: "cost of"
Insert: "adjustment for certain"
3. Page 1, line 16.
Strike: "from another public utility"

-END-


Amd. Coord.
Sec. of Senate


Senator Carrying Bill

HB 360
SENATE
491145SC.SRF

1 HOUSE BILL NO. 360

2 INTRODUCED BY QUILICI, MILLS, LYNCH, MENAHAN, PIPINICH, RYAN, FOSTER, BISHOP,
 3 HARRINGTON, PAVLOVICH, JACOBSON, COCCHIARELLA, BENEDICT, BOHLINGER, GALVIN,
 4 FORRESTER, T. NELSON, SHEA, HALLIGAN, BARTLETT, REHBEIN, SPRAGUE, SCHWINDEN

5
 6 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING AN EXCEPTION TO THE ORIGINAL COST RULE
 7 WHEN A PUBLIC UTILITY PURCHASES CERTAIN PROPERTY ~~FROM ANOTHER PUBLIC UTILITY;~~
 8 AMENDING SECTION 69-3-109, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

9
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 18 FOR CERTAIN property purchased by a public utility from another public utility in the purchasing utility's
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 23 ~~such~~ the property."

24
 25 **NEW SECTION. Section 2. Effective date.** [This act] is effective on passage and approval.

26 -END-