

SENATE No. 342

To accompany the petition of Carl S. Herrmann and others for legislation to authorize the sale of the property of or the consolidation or merger of gas and electric companies under certain conditions. Power and Light.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Thirty-Nine.

AN ACT TO AUTHORIZE THE SALE OF THE PROPERTY OF
OR THE CONSOLIDATION OR MERGER OF GAS AND ELECTRIC
COMPANIES UNDER CERTAIN CONDITIONS.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Chapter one hundred and sixty-four
2 of the General Laws is hereby amended by striking
3 out section ninety-six, as appearing in the Tercente-
4 nary Edition, and inserting in place thereof the
5 following:—

6 *Section 96.* A gas company, an electric company,
7 or a company having the powers of both a gas and
8 electric company whether pursuant to its charter or
9 authorization of the department or its predecessors,
10 may purchase the property of or may consolidate
11 with any other such company or companies, and such
12 other company or companies may sell and convey
13 such property, or may so consolidate, provided the
14 contracting companies are then engaged in supplying

15 gas or electricity, or both, in the same or contiguous
16 municipalities, or are physically interconnected by
17 their own or other facilities; but no such purchase
18 and sale or consolidation shall be valid or binding
19 until the terms thereof have been approved, at meet-
20 ings called therefor, by vote of at least two thirds in
21 interest of the stockholders of each of the contracting
22 companies, and until the department, after notice and
23 a public hearing, has determined that the facilities
24 for furnishing and distributing gas or electricity will
25 not thereby be diminished, and that the company
26 acquiring any such property by purchase or con-
27 solidation may thereafter be operated economically
28 as a single company, and that such purchase and sale
29 or consolidation and the terms thereof are consistent
30 with the public interest. This section shall not
31 authorize an electric company engaged in supplying
32 electricity in bulk to consolidate with, or to purchase
33 the property of, or to sell its own property to, another
34 electric company in whose territory the first named
35 company is engaged in supplying electricity in bulk
36 to private customers.

1 SECTION 2. Chapter one hundred and sixty-four
2 of the General Laws is hereby amended by striking
3 out section one hundred and two, as appearing in the
4 Tercentenary Edition, and inserting in place thereof
5 the following:—

6 *Section 102.* The six preceding sections shall not
7 be construed to authorize the consolidation of the
8 Boston Consolidated Gas Company and Boston Edison
9 Company.