

HOUSE No. 889

By Mr. Swenson of Cambridge (by request), petition of The Public Franchise League relative to the powers of the Department of Public Utilities in connection with fees and charges made by companies affiliated with gas, electric and water companies. Power and Light.

The Commonwealth of Massachusetts

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

An Act relative to Fees and Charges made by Affiliated Companies to Gas, Electric and Water Companies, and the Powers of the Department of Public Utilities relative Thereto.

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 eighty-three, as appearing in the Ter-
4 centenary edition thereof, and inserting in place
5 thereof the following: —

6 *Section 83.* Gas and electric companies and manu-
7 facturing companies and persons engaged in the
8 manufacture and sale or distribution and sale of gas
9 or electricity shall annually, on or before such date as
10 the department fixes, make to the department, in a
11 form prescribed by it, a return for the year ending on

12 such date as the department may from time to
13 time require, signed and sworn to by the president
14 or vice-president, and treasurer or assistant treasurer,
15 and a majority of the directors, of the amount of
16 their authorized capital, their indebtedness and
17 financial condition, on the said date, their income
18 and expenses during the preceding year, their
19 dividends paid and declared, a list of the names
20 of all their salaried officers and the amount of the
21 salary paid to each, and the balance sheet of their
22 accounts as of said date. Such return shall in-
23 clude a completely itemized statement disclosing
24 the date of, amount of, and consideration received
25 for, every payment made by or obligation incurred
26 by such company to any affiliated company,
27 whether if a fee for services, or as interest, or
28 for materials and supplies sold, or for whatever
29 purpose and in whatever guise. Such companies
30 and persons shall at all times, upon request, furnish
31 any information required by the department or
32 its duly authorized employees relative to their
33 condition, management and operation, and shall
34 comply with all lawful orders of the department;
35 but manufacturing companies in which the manu-
36 facturer and sale of gas and electricity is a minor
37 portion of their business shall be required to in-
38 clude in their annual returns the income and
39 expenses and other data relative to their gas and
40 electric business only.

1 SECTION 2. Said chapter one hundred and sixty-
2 four is hereby further amended by inserting, after
3 section ninety-four B, the following new section:—
4 *Section 94C.* In any proceeding before the de-

5 partment under sections fourteen, ninety-two,
6 ninety-two A, ninety-three, or ninety-four, when it
7 shall appear that a gas, electric, or water company
8 has made any payments to, or incurred any obliga-
9 tions to, an affiliated company as defined in section
10 eighty-five, such payment or obligation shall be
11 presumed to have been unwarranted and in bad
12 faith, and the burden shall be on the company to
13 prove that such payment or obligation was prudent,
14 warranted, and in the best interest of the company
15 and its customers.

