

By Mr. Ahearn of Norwood, petition of David C. Ahearn and other members of the House relative to requiring competitive bidding for certain contracts with gas and electric companies. Government Regulations.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Seventy.

AN ACT REQUIRING COMPETITIVE BIDDING FOR CERTAIN CONTRACTS WITH GAS AND ELECTRIC COMPANIES.

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

1 Chapter 164 of the General Laws is hereby amended by
2 inserting after section 84A the following section:—

3 *Section 84B.* The condensed return of business and finan-
4 cial condition of a company shall not include as operating
5 expenses certain expenditures resulting from contracts let
6 without competitive bidding.

7 Every contract for the construction, reconstruction, altera-
8 tion, remodeling, repair or demolition of a building for a gas
9 or electric company, or any equipment, materials or other
10 goods and services purchased by a gas or electric company,
11 estimated to cost more than two thousand five hundred
12 dollars shall be awarded to the lowest responsible general
13 bidder on the basis of competitive bids in accordance with
14 such competitive bidding practices established within indus-
15 try by custom and usage.

16 The department shall in the discretion of the commission
17 from time to time promulgate rules and regulations to make
18 certain that competitive bidding procedures shall protect the
19 public to the extent that the companies' items of operating
20 expenses shall be as low as possible at the time of inclusion in
21 the rate making formulas. The commission shall have the
22 right to disallow said operating expenses in the event of a
23 violation of this section.

24 The lowest responsible general bidder shall mean that
25 bidder who is the lowest of those possessing the technical and
26 financial ability necessary to perform work.

