

By Mr. Daly of Wellesley, petition of Richard W. Daly for legislation to require competitive bidding in the letting of certain contracts by gas and electric companies. Government Regulations.

The Commonwealth of Massachusetts

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

AN ACT REQUIRING COMPETITIVE BIDDING IN THE LETTING OF CERTAIN CONTRACTS BY 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 inserting after section 84A, the following section:—

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

7 Every contract for the construction, reconstruction, alteration, remodeling, repair or demolition of a building by and/or any equipment, materials or other goods and services purchased by a gas or electric company, estimated to cost more than two thousand five hundred dollars shall be awarded to the lowest responsible general bidder, on the basis of competitive bids in accordance with such competitive bidding practices established within industry by custom and usage.

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

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

