

# HOUSE . . . . . No. 4036

By Mr. Roche of Springfield, petition of Richard P. Roche and other members of the House relative to increasing management efficiency of utility companies. Government Regulations.

## The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Seventy-Eight.

### AN ACT INCREASING MANAGEMENT EFFICIENCY OF UTILITY 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 25 of the General Laws is hereby amended by adding  
2 after section 17A, the following section:—

3 *Section 17B.* The department shall require that all investor-  
4 owned utilities in the commonwealth undergo comprehensive  
5 management audits at least once every five years, subject to the  
6 following:—

7 (A) The management audit firm shall be selected by the  
8 department after a submission of bids by management audit firms.  
9 The department shall choose firms which are most cost-effective  
10 and provide the most comprehensive audit.

11 (B) The utility company shall pay any and all cost incurred for  
12 said management audit. Such expense shall be an allowable  
13 operating expense.

14 (C) The audit shall include, but not be limited to an investigation  
15 of the company's construction program planning in relation to  
16 needs of its customers for reliable service and in evaluation of the  
17 efficiency of the company's operations.

18 (D) The commission shall have authority to direct the company  
19 to implement any recommendations resulting from such audits  
20 that it finds to be necessary and reasonable.

By the Hon. the Speaker of the House of Representatives  
Presented by Mr. [Name] of [State]

**THE [Title]**

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That

Section 1. [Text of the bill]

Section 2. [Text of the bill]

Section 3. [Text of the bill]

Section 4. [Text of the bill]