WEST VIRGINIA LEGISLATURE

2025 REGULAR SESSION

Introduced

House Bill 2769

By Delegates Pushkin and Lewis

[Introduced February 21, 2025; referred to the

Committee on Energy and Public Works then the

Judiciary]

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1 A BILL to amend and reenact §24-1-3 of the Code of West Virginia, 1931, as amended: to amend 2 said code by adding thereto a new section, designated §24-1-3a; to amend said code by adding thereto a new section, designated §24-2-22; and to amend §24-2A-1 of said code, 3 4 all relating to the Public Service Commission; providing that Commission members be 5 elected non-partisan positions; allowing for staggered appointments for initial election; 6 revising provisions relating to duties of the Commission and its employees; establishing 7 process for election of Commission members; providing mechanism of removal for Commission members and employees by initiating judicial action; requiring electronic 8 9 access for certain public hearings; creating a process for notice and comment by 10 customers of a utility relating to a proposed or enacted utility rate increase; and increasing 11 the discount rate for utility costs for certain low income persons.

Be it enacted by the Legislature of West Virginia:

ARTICLE 1. GENERAL PROVISIONS.
§24-1-3. Commission continued; membership; chairman; compensation; quorum.
(a) The Public Service Commission of West Virginia is continued and directed as provided
by this chapter, §24A-1-1, *et seq.*, §24B-1-1, *et seq.*, and §24D-1-1, *et seq.* of this code. The
Public Service Commission may sue and be sued by that name.

4 (b) The Public Service Commission shall consist of three members who shall be appointed 5 by the Governor, with the advice and consent of the Senate and all appointed members terms will 6 end on December 31, 2026. Effective January 1, 2026, members of the Commission shall be 7 elected by state-wide non-partisan election pursuant to §24-1-3a of this Code, to take Office 8 effective January 1 following the year of election. The commissioners shall be citizens and 9 residents of this state. and at least one of them shall be duly licensed to practice law in West 10 Virginia, with not less than ten years' actual work experience in the legal profession as a member 11 of a State Bar.

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(c) No more than two of the commissioners shall be members of the same political party

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13	(d) (c) Each commissioner shall, before entering upon the duties of his or her office, take
14	and subscribe to the oath provided by section five, article IV of the Constitution of West Virginia.
15	The oath shall be filed in the office of the Secretary of State.

(e) (d) The Governor Commission shall designate one of the commissioners to serve as
 chairman at the Governor's will and pleasure. The chairman shall be the chief administrative
 officer of the commission. The Governor may remove any Any commissioner only may be
 removed for incompetency, neglect of duty, gross immorality, malfeasance in office. or violation of
 subsections (g) and (h) of this section.

21 (f) Upon expiration of the terms, appointments are for terms of six years, except that an
 22 appointment to fill a vacancy is for the unexpired term only.

(g) (e) No person while in the employ of, or holding any official relation to, any public utility
 subject to the provisions of this chapter or holding any stocks or bonds of a public utility subject to
 the provisions of this chapter or who is pecuniarily interested in a public utility subject to the
 provisions of this chapter may serve as a member of the commission or as an employee of the
 commission.

28 (h) (f) Nor may any commissioner be a candidate for or hold public office other than re-29 election to the commission or be a member of any political committee while acting as a 30 commissioner; nor may any commissioner or employee of the commission receive any pass, free 31 transportation or other thing of value, either directly or indirectly, from any public utility or motor 32 carrier subject to the provisions of this chapter. In case any of the commissioners becomes a 33 candidate for any public office or a member of any political committee, he or she is disgualified 34 from serving on the commission. the Governor shall remove him or her from office and shall 35 appoint a new commissioner to fill the vacancy created.

36 (i) (g) The annual salary of each commissioner provided in §6-7-2a of this code shall be
 37 paid at least twice per month from the special funds in the percentages that follow:

38

(1) From the Public Service Commission Fund collected under the provisions of section

39 six, article three of this chapter, eighty percent;

40 (2) From the Public Service Commission Motor Carrier Fund collected under the provisions

41 of §24A-6-6 of this code, 17 percent; and

42 (3) From the Public Service Commission Gas Pipeline Safety Fund collected under the
43 provisions of §24B-5-3 of this code, three percent.

(j) (h) In addition to the salary provided for all commissioners in section two-a, article
seven, chapter six of this code, the chairman of the commission shall receive \$5,000 per annum to
be paid at least twice per month from the Public Service Commission Fund collected under the
provisions of §24-3-6 of this chapter.

48 (i) Any citizen of the state may petition a court of record to have a member of the
 49 Commission removed for maleficence, or violation of any law or duty required by the Commission
 50 by law.

	<u>§24-1-3a.</u>	Election	of	Public	Service	Commissio	n Members.
1	Effect	<u>tive January 1,</u>	2026,	each membe	er of the Publ	ic Service Con	nmission shall be
2	elected on a	<u>nonpartisan b</u>	asis du	ring the May	primary to s	erve 6-year ter	m, subject to the
3	exceptions of	f the initial electe	ed terms	s as provided	<u>herein. For pu</u>	rposes of the 2	026 election, each
4	member shal	l have an electe	d term a	as follows: (1)	One member	is elected for a	<u>two-year term; (2)</u>
5	<u>one member</u>	is elected for a f	our-yea	<u>r term; and (3</u>) member is el	ected for a six-y	/ear term. For the
6	2026 election	i, each candidat	e shall s	elect the two-	year, four-yea	r, or six- year te	rm. After the initial
7	election in 20	026, each memb	per of the	<u>e Commissio</u>	<u>n shall be elec</u>	ted for a six-ye	ar term.
	ARTICLE	2. POWERS	AND	DUTIES	OF PUBLIC	C SERVICE	COMMISSION.
	<u>§24-2-22.</u>	Notice	to	Consumers	of	proposed	rate hikes.
1	<u>(a) Tł</u>	ne Legislature fi	inds tha	it in the past	20 years the	citizens of this	state have had to
2	endure the h	ighest increase	s in utili	ty costs in th	e United State	es and that the	se increases have
3	most greatly	impacted lowe	er incon	ne residents.	have far ex	ceeded state v	vage, salary, and
4	retirement inc	come increases	, and ar	e consuming	a greater and	greater proport	<u>ion of our citizen's</u>

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5	income. This trend of spiraling utility rates has created financial hardship for countless West
6	Virginians. Further, that the current system of setting and increasing utility rate increases which
7	focuses on the costs of the utility companies, service upgrades and promoting state coal and
8	natural gas resources, while guaranteeing a rate of return for utilities, places the costs to the
9	consumers in West Virginia as a secondary consideration of the Public Service Commission.
10	Further, the current public notice and comment system for ratemaking of utility increases is an
11	ineffective tool for engaging average West Virginians, as its cumbersome case-codes, orders, and
12	reports are difficult for average consumers to understand and reinforces the belief that there is no
13	meaningful way for them to participate in the utility ratemaking process. Therefore, the purpose of
14	this section is to create a mechanism to allow citizens to have a voice and provide understandable,
15	accessible, and transparent process to express their views of the financial harm hoisted upon
16	them in every increase of utility costs in West Virginia.
17	(b) Effective July 1, 2025, the commission shall order every utility, upon receipt of notice of
18	a rate increase, to provide in the following month's electronic or paper billing documents to each
19	customer of the utility, the following:
20	(1) A description of the proposed rate increase, including an estimate on the increase
21	costs to the consumer will be required to pay if the rate increase is approved;
22	(2) The purpose for the increase, with specific details regarding the reason for the
23	increase, and how much of the increase will be retained by the utility as profit in this state, and a
24	statement of the existing overall profits of the utility for the prior fiscal year;
25	(3) The mail address and email address that the consumer can submit comments;
26	(4) A list of all relevant dates and locations for receipt of public comment; and
27	(5) Upon the approval of the Commission of any rate increase, the information listed in
28	subdivision (2) shall be provided based on the approved rate as provided in this subsection.

(c) Any public hearing conducted relating to a utility rate increase shall be streamed on the
 Internet and participation in the public hearing, including giving testimony, shall be allowed
 remotely.
 (d) The Commission shall promulgate a rule providing minimum requirements for this

33 notice and shall review and approve the design and content of each utility's notice. The

34 Commission shall establish a web page location where all public comments may be reviewed

35 along with any responses the Commission has made to the submitted comments.

ARTICLE 2A. REDUCED RATES FOR LOW-INCOME RESIDENTIAL CUSTOMERS

OF ELECTRICITY AND GAS. §24-2A-1. Special rates for gas and electric utility customers receiving Social Security Supplemental Security Income (SSI), Aid to Families with Dependent Children (AFDC), Aid to Families with Dependent Children--Unemployed (AFDC-U) or food stamps.

1 The commission shall order each gas and electric utility subject to its jurisdiction, except 2 municipal or cooperative gas or electric utilities, to offer special reduced rates applicable to gas 3 and electric service for the billing months of December, January, February, March and April of each 4 year (beginning with the billing month of December, 1983) to residential utility customers receiving 5 (a) social security supplemental security income (SSI). (b) aid to families with dependent children 6 (AFDC), (c) aid to families with dependent children-- unemployed (AFDC-U), or (d) food stamps, if 7 such food stamp recipients are 60 years of age or older. The special reduced rate offered by each 8 gas and electric utility to its eligible customers shall be twenty 30 percent less than the rate which 9 would be applicable to such customers if they were not receiving any of the four forms of 10 assistance which confer eligibility for the special reduced rates. A customer of a utility offering 11 special reduced rates shall be eligible to receive such rates for each of the billing months of 12 December, January, February, March and April that correlates to a calendar month during which

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13 that customer is eligible to participate in one or more of the qualifying programs specified in this section, except as otherwise provided in this section. The correlation of billing months to calendar 14 15 months of eligibility to participate in a qualifying program is as follows: A December billing month 16 correlates to the calendar month of November; a January billing month correlates to the calendar 17 month of December; a February billing month correlates to the calendar month of January; a 18 March billing month correlates to the calendar month of February; and an April billing month 19 correlates to the calendar month of March. After the billing month of April, 1984, no No customer 20 shall be eligible to receive the special reduced rates until the billing month in which that customer 21 applies for such rates. For the billing months of December, 1983, and January, February, March and April, 1984, a customer shall be eligible to receive a utility's special reduced rates for any of 22 23 said billing months which correlates to a calendar month during which that customer is eligible to 24 participate in one or more of the qualifying programs specified in this section, regardless of the 25 date on which that customer applies for such rates: Provided. That the date of application falls on 26 or prior to May 15, 1984. No customer who applies for the special reduced rates after May 15, 27 1984 shall be eligible to receive such rates for any of the billing months of December, 1983 or 28 January, February, March or April, 1984. Before any individual may qualify to receive the special 29 reduced rates, the following requirements must be met:

(a) The special reduced rates shall apply only to current customers or to those persons
who subsequently become customers in their own right. If an SSI, AFDC, AFDC- U or food stamp
recipient is living in a household which is served under the name of a person who is not an SSI,
AFDC, AFDC-U or food stamp recipient, that service may not be changed or have been changed
subsequent to March 12, 1983, to the name of the SSI, AFDC, AFDC-U or food stamp recipient in
order to qualify for service under the special reduced rates.

(b) The burden of proving eligibility for the special reduced rates shall be on the customer
 requesting such rates. The department of human services Department of Human Services shall
 establish by rules and regulations procedures (1) to inform persons receiving any of the four forms

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39 of assistance which confer eligibility for the special reduced rates about the availability of the 40 special reduced rates, (2) to assist applicants for the special reduced rates in proving their 41 eligibility therefor, and (3) to assist gas and electric utilities offering the special reduced rates in 42 determining on a continuing basis the eligibility therefor of persons receiving or applying for such 43 rates. The commission shall establish by rules and regulations procedures for the application for 44 and provision of service under the special reduced rates and for the determination and certification 45 of revenue deficiencies resulting from the special reduced rates. Within 10 days of the effective 46 date of this article, the commission and the department of human services shall adopt temporary 47 rules and regulations, as required by this section, which rules and regulations shall not be subject 48 to the requirements of §29A-1-1 et seq. and §24-1-7 of this code except that they shall be filed with 49 the Secretary of State and published in the state register. These temporary rules and regulations 50 shall remain in effect until supplanted by permanent rules and regulations, which shall be adopted 51 by the commission and the department of human services Department of Human Services within 52 180 days of the effective date of this article. No customer who is a recipient of more than one of the 53 four forms of assistance which confer eligibility for the special reduced rates shall be eligible for 54 more than one twenty 30 percent discount for gas service and one twenty 30 percent discount for 55 electric service during each billing month that said customer is eligible to receive the special 56 reduced rates.

57 (c) In order to provide each eligible residential utility customer the special reduced rates for 58 the billing months of December, 1983, through April, 1984, (hereinafter referred to as the first 59 special-reduced-rate season), each utility providing the special reduced rates shall credit against 60 the amount otherwise owed by each customer an amount equal to the difference between the total 61 amount that each such customer was actually billed during the first special-reduced-rate season 62 and the total amount that each customer would have been entitled to be billed under the special 63 reduced rates. Each such credit shall be fully reflected on the first bill issued to each such 64 customer after approval of each such customer's application for the special reduced rates, except

- 65 in cases where the interval between the approval and the issuance of the next bill is so short that it
- 66 is administratively impracticable to do so, in which cases such credits shall be fully reflected on the
- 67 second bill issued to each such customer after approval of that customer's application. If the
- 68 interval between the approval and the issuance of the next bill is fifteen days or more, it shall not be
- 69 deemed administratively impracticable to reflect such credit on the customer's first such bill.

NOTE: The purpose of this bill is to create greater accountability and public input in the operations of the Public Service Commission; to remove the appointment process so Commission members are elected by non-partisan elections; revising the removal process in Commission to allow citizens to initiate removal for malfeasance and conflicts of interest; providing for reduced rates for qualifying low-income customers; and providing an accessible and more transparent method for consumers to participate in the utility ratemaking process.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.