Form UM 03, 5M-10/81-488979

The Commonwealth of Massachusetts

DEPARTMENT OF PUBLIC UTILITIES

April 17, 1986

D.P.U. 86-68

Investigation by the Department on its own motion concerning proposed rules that would establish an opitonal method for determining the allowed rate of return on equity for companies subject to its jurisdiction.

NOTICE OF PROPOSED REGULATIONS

On June 10, 1985, the Department of Public Utilities ("Department") promulgated regulations that established an optional method for determining the allowed rate of return on equity for water companies subject to its jurisdiction. D.P.U. 85-115 (1985); 220 C.M.R. 31.00: "Optional Formula for Determining Allowed Rates of Return on Equity for Water Companies".

We are proposing to amend the regulations to make the option available to all companies under our ratemaking jurisdiction that are required, as part of a general rate proceeding, to establish a rate of return on common equity.

The Department is also proposing to eliminate that portion of the regulation providing for a minimum allowed rate of return.

The proposed amendments to the regulations are available upon request. A public hearing on the proposal will be held in the Department's offices, 100 Cambridge Street, Boston, Massachusetts 02202, on May 19, 1986, at 10:00 a.m. Individuals may make oral comments at that time, or they may submit written comments to the Secretary of the Department at the above address no later than May 30, 1986.

By Order of the Department,

Mary L. Cottrell

MARY L. COTTRELL, SECRETARY

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Notice of a public hearing from the DPU to be held on May 19, 1986 at 10:00 a.m. at 100 Cambridge St., Boston Re: proposed regulations establishing an optional method for determining the allowed rate of return on equity for companies under its jurisdiction.

In City Council,

April 28, 1986

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Copy to City Manager

copy sent to the City Manager
4/30/86