The Commonwealth of Massachusetts

DEPARTMENT OF PUBLIC UTILITIES

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CAMBRIDGE, MASS.

D.P.U. 85-115 April 23, 1985

NOTICE OF PROPOSED RULES

The Department of Public Utilities ("Department") hereby proposes rules that would establish an optional method for determining the allowed rate of return on equity for water companies subject to its jurisdiction. The purpose of the proposed rules is to facilitate the administrative process with regard to this issue, to reduce the costs of litigation for all parties associated with water company rate cases, and yet to yield allowed rates of return that would otherwise be found to be within the zone of reasonableness required for this particular aspect of water company rate cases. The statutory authority for the establishment of such rules is G.L. c. 165 § 1B. The rules, if adopted, would be designated "220 CMR 31.00: Optional Formula for Determining Allowed Rates of Return on Equity for Water Companies".

Copies of the Proposed Regulations are available upon request to the Secretary of the Department.

A hearing on the proposed rules will be held in the Department's offices, 100 Cambridge Street, Boston, MA 02202, on May 24, 1985 at 10: 00 am. Individuals may make oral statements at that time on the proposed rules, or they may submit written comments no later than June 7, 1985.

By Order of the Department,

Mary L. Cottrell

MARY L. COTTRELL, SECRETARY

14. S-333

Notice of a public hearing from the DPU to be held May 24, 1985 at 10:00 a.m. at 100 Cambridge St., Boston Re: rules to establish an optional method for determining the allowed rate of return on equity for water companies subject to its jurisdiction.

In City Council,

April 29, 1985

4/29/85

Referred to the City Manager.

Copy sent to the City Manager 5/1/85 mh