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### WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1935

## ENROLLED

HOUSE BILL No. 473

(By Mr. In How

PASSED Much 7 1935

In Effect 90 days from Passage

# ENROLLED House Bill No. 473

(By Mr. LaFon)

[Passed March 7, 1935; in effect from passage.]

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AN ACT to amend chapter twenty-four of the code of West Virginia, one thousand nine hundred thirty-one, by adding to article one thereof a new section to be numbered section eight; by adding to article two thereof two new sections to be numbered eleven and twelve; and by amending and reenacting section two, article two, and section two, article four of said chapter, all relating to the public service commission.

Be it enacted by the Legislature of West Virginia:

That chapter twenty-four of the code of West Virginia, one thousand nine hundred thirty-one, be amended as follows: By adding to article one a new section to be numbered section eight; by adding to article two thereof two new sections to be numbered cleven and twelve; and by amending and reenacting section two,

article two, and section two, article four of said chapter, all to read as follows:

#### ARTICLE I

Section 8. The commission may, if it deems the same neces-2 sary, in the administration of the public service commission 3 law, request the attorney general to employ or designate an 4: assistant attorney general, under his supervision and direction, 5 to represent the commission in proceedings before it on appli-6 cation, complaint, or otherwise, and proceedings of any nature 7 in any and all courts or before administrative or executive 8 boards and to act as legal adviser to the commission in all 9 matters for which his services, in the opinion of the commis-10 sion, are required, and may, if it deems the same proper, pay 11 in part or all of the salary, compensation and expenses of said 12 assistant attorney general so designated or employed; but the 13 amount so paid, in no event shall exceed five thousand dollars 14 per annum, which amount shall be payable as other salaries 15 and expenses of the commission are paid.

#### ARTICLE II

Sec. 2. The commission is hereby given power to investigate 2 all rates, methods and practices of public utilities subject to

3 the provisions of this chapter; to require them to conform to 4 the laws of this state and to all rules, regulations and orders of 5 the commission not contrary to law; and to require copies of 6 all reports, rates, classifications, schedules and time-tables in 7 effect and used by such utility or other person, to be filed with 8 the commission, and all other information desired by the com-9 mission relating to such investigation and requirements, includ-10 ing inventories of all property in such form and detail as the 11 commission may prescribe. The commission may compel 12 obedience to its lawful orders by mandamus or injunction or 13 other proper proceedings in the name of the state in any circuit 14 court having jurisdiction of the parties or of the subject matter, 15 or the supreme court of appeals direct, and such proceedings 16 shall have priority over all pending cases. The commission may 17 change any intrastate rate, charge or toll which is unjust or 18 unreasonable or any interstate charge with respect to matters 19 of a purely local nature which have not been regulated by or 20 pursuant to act of congress and may prescribe such rate, charge 21 or toll as would be just and reasonable, and change or prohibit 22 any practice, devise or method of service in order to prevent 23 undue discrimination or favoritism between persons and between localities and between commodities for a like and contemporaneous service. But in no case shall the rate, toll or
charge be more than the service is reasonably worth, considering the cost thereof. Every order entered by the commission
shall continue in force until the expiration of the time, if any,
named by the commission in such order, or until revoked or
modified by the commission, unless the same be suspended,
modified or revoked by order or decree of a court of competent
jurisdiction.

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Sec. 11. No public utility, person or corporation 2 shall begin the construction of any plant, equipment, property 3 or facility for furnishing to the public any of the services 4 enumerated in section one, article two of this chapter, nor 5 apply for, nor obtain any franchise, license or permit from 6 any municipality or other governmental agency except ordinary 7 extensions of existing systems in the usual course of business, 8 unless and until it shall obtain from the public service com-9 mission a certificate of public convenience and necessity 10 requiring such construction, franchise, license or permit. Upon 11 the filing of any application for such certificate, and after hear-12 ing, the commission may, in its discretion, issue or refuse to

13 issue, or issue in part and refuse in part, such certificate of
14 convenience and necessity. The commission shall prescribe such
15 rules and regulations as it may deem proper for the enforce16 ment of the provisions of this section, and in establishing that
17 public convenience and necessity do exist the burden of proof
18 shall be upon the applicant.

Sec. 12. Unless the consent and approval of the public 2 service commission of West Virginia is first obtained: (a) No 3 public utility subject to the provisions of this chapter, except 4 railroads other than street railroads, may enter into any con-5 tract with any other utility to operate any line or plant of 6 any other utility subject thereto, nor which will enable such 7 public utility to operate their lines or plants in connection with 8 each other, but this shall not be construed to prevent physical 9 connections between utilities supplying the same service or 10 commodity, for temporary purposes only, upon condition, how-11 ever, that prompt notice thereof be given to the commission 12 for such action, if any, as it may deem necessary, and there-13 after the commission may require such connection to be re-14 moved or discontinued; (b) no public utility subject to the 15 provisions of this chapter, except railroads other than street 16 railroads, may purchase, lease, or in any other manner acquire 17 control, direct or indirect, over the franchises, licenses, permits, 18 plants, equipment, business or other property of any other 19 utility; (c) no public utility subject to the provisions of this 20 chapter, except railroads other than street railroads, may 21 assign, transfer, lease, sell, or otherwise dispose of its franchises, 22 licenses, permits, plants, equipment, business or other property 23 or any part thereof; but this shall not be construed to prevent 24 the sale, lease, assignment or transfer by any public utility 25 of any tangible personal property which is not necessary or 26 useful, nor will become necessary or useful in the future, in 27 the performance of its duties to the public; (d) no public 28 utility subject to the provisions of this chapter, except rail-29 roads other than street railroads, may, by any means, direct 30 or indirect, merge or consolidate its franchises, licenses, permits, 31 plants, equipment, business or other property with that of any 32 other public utility; (e) no public utility subject to the pro-33 visions of this chapter, except railroads other than street rail-34 roads, may purchase, acquire, take or receive any stock, stock 35 certificates, bonds, notes, or other evidence of indebtedness of 36 any other public utility; (f) no public utility subject to the pro37 visions of this chapter, except railroads other than street rail38 roads, may, by any means, direct or indirect, enter into any
39 contract or arrangement for management, construction, en40 gineering, supply, or financial services or for the furnishing
41 of any other service, property or thing, with any affiliated

42 corporation, person or interest.

The commission may grant its consent in advance or exempt 44 from the requirements of this section all assignments, transfers, 45 leases, sales or other disposition of the whole or any part of 46 the franchises, licenses, permits, plants, equipment, business or 47 other property of any public utility, or any merger or con-48 solidation thereof and every contract, purchase of stocks, 49 arrangement or other transaction referred to in this section, 50 upon proper showing that the terms and conditions thereof 51 are reasonable and that neither party thereto is given an 52 undue advantage over the other, and do not adversely affect 53 the public in this state.

The commission shall prescribe such rules and regulations as, 55 in its opinion, are necessary for the reasonable enforcement 56 and administration of this section, including the procedure to 57 be followed, the notice to be given of any hearing hereunder, 58 if it deems a hearing necessary, and after such hearing or in 59 case no hearing is required, the commission shall, if the public 60 will be convenienced thereby, enter such order as it may deem 61 proper and as the circumstances may require, attaching thereto 62 such conditions as it may deem proper, consent to the entering 63 into or doing of the things herein provided, without approving 64 the terms and conditions thereof, and thereupon it shall be 65 lawful to do the things provided for in such order.

Every assignment, transfer, lease, sale or other disposition of the whole or any part of the franchises, licenses, permits, least, equipment, business or other property of any public utility, or any merger or consolidation thereof and every contract, purchase of stock, arrangement or other transaction referred to in this section made otherwise than as hereinbefore provided shall be void to the extent that the interests of the public in this state are adversely affected, but this shall not this section.

#### ARTICLE IV

Sec. 2. Any person, officer, agent or employee of any public 2 utility subject to this chapter who shall knowingly or wilfully

3 make any false entries in the accounts, account books, records 4 or memoranda kept by any public utility, or who shall know-5 ingly or wilfully destroy or mutilate any account books, record 6 or memoranda useful for the enforcement or administration 7 of this chapter by the commission, or who shall alter or by 8 any other means or devise falsify the record of any such 9 accounts, account books, records or memoranda, or who shall 10 knowingly or wilfully neglect or fail to make full, true and 11 correct entries of or in such account, account book, record or 12 memoranda of all the facts and transactions appertaining to 13 such public utility, or who shall falsely make any statement 14 required to be made to the commission, shall be deemed guilty 15 of a felony, and, upon conviction thereof, shall be confined 16 in the penitentiary not less than one year nor more than five 17 years.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

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HS Governor.
Filed in the office of the Secretary of State

of West Virginia. Wm. S. O'BRIEN,

Secretary of State