

Senate Bill 87

By: Senators Thomas of the 2nd, Tate of the 38th, Fort of the 39th, Brown of the 26th, Scott of the 36th and Harbison of the 15th

A BILL TO BE ENTITLED
AN ACT

To amend Article 5 of Chapter 4 of Title 46 of the Official Code of Georgia Annotated, known as the "Natural Gas Competition and Deregulation Act," so as to require the Public Service Commission to declare an emergency and regulate the delivery of natural gas to retail customers in this state; to provide for the applicability of certain laws with respect to the Public Service Commission's regulation of the delivery of natural gas to retail customers in this state; to provide for contracts between electing distribution companies and marketers and between marketers and retail customers; to provide that upon the expiration of certain contracts, electing distribution companies shall be prohibited from distributing natural gas to certain marketers; to provide for the assignment of retail customers whose marketer no longer sells natural gas in intrastate commerce to retail customers; to authorize the merger of an electing distribution company and its affiliate marketer; to provide that nothing in this Act shall be construed to impair the obligation of any contract; to authorize the Public Service Commission to promulgate and adopt rules and regulations; to provide for related matters; to provide an effective date; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Article 5 of Chapter 4 of Title 46 of the Official Code of Georgia Annotated, known as the "Natural Gas Competition and Deregulation Act," is amended by adding following Code Section 46-4-165 a new Code Section 46-4-166 to read as follows:

"46-4-166.

(a) On the effective date of this Code section, the Public Service Commission is required to declare an emergency in the delivery of natural gas in this state. After the declaration of such emergency, the alternative form of regulation of the natural gas industry shall no longer be effective and Code Sections 46-2-23.1 and 46-4-150 through 46-4-165 shall no longer be applicable to regulation of the natural gas industry, gas companies, and persons or companies selling natural gas in intrastate commerce to retail customers in this state.

1 After the declaration of such an emergency, electing distribution companies and marketers,
2 heretofore governed by the provisions of this article, shall be governed by provisions of law
3 other than Code Sections 46-2-23.1 and 46-4-150 through 46-4-165 and by rules and
4 regulations of the commission not in conflict with such other laws. Except as otherwise
5 provided in subsection (c) of this Code section, contracts between an electing distribution
6 company and a marketer and between a marketer and a retail customer shall remain valid
7 and enforceable unless otherwise terminated by the parties thereto.

8 (b) Upon the declaration of an emergency as provided in subsection (a) of this Code
9 section, an electing distribution company and any marketer may, upon mutual agreement,
10 elect to terminate a contract which provides for the distribution of natural gas from the
11 electing distribution company to the marketer. Upon such a mutual agreement, any retail
12 customers of a marketer, which ceases to engage in the business of providing natural gas
13 in intrastate commerce to retail customers in this state, shall be assigned to the electing
14 distribution company which distributed natural gas to the marketer or to such gas
15 company's affiliate marketer. Any such marketer which ceases to engage in such business
16 shall be required to furnish all records and billing information relating to its retail
17 customers to the gas company or its affiliate marketer to which the retail customers are
18 assigned.

19 (c) On and after the date of the declaration of an emergency as provided in subsection (a)
20 of this Code section, a marketer shall be prohibited from renewing a contract with a retail
21 customer or executing a new contract with a retail customer the terms of which would
22 extend beyond the date of the expiration of the contract existing on the date of the
23 declaration of an emergency between the electing distribution company and the marketer
24 which provides for the distribution of natural gas from the electing distribution company
25 to the marketer.

26 (d) After the declaration of an emergency as provided in subsection (a) of this Code
27 section and upon the expiration of any contract between an electing distribution company
28 and a marketer which provides for the distribution of natural gas from the electing
29 distribution company to the marketer, other than a contract with the electing distribution
30 company's affiliate marketer, the electing distribution company shall be prohibited from
31 any further distribution to such marketer of any natural gas to be resold in intrastate
32 commerce to retail customers in this state.

33 (e) After the declaration of an emergency as provided in subsection (a) of this Code
34 section, an electing distribution company and its affiliate marketer may merge into a single
35 gas company to be regulated in the same manner as gas companies were regulated prior to
36 the issuance of a certificate of authority as provided in Code Section 46-4-153 and the
37 implementation of this article. Such a gas company shall be regulated by provisions of law

1 other than Code Sections 46-2-23.1 and 46-4-150 through 46-4-165 and by rules and
2 regulations of the commission not in conflict with such other laws.

3 (f) The Public Service Commission is authorized to promulgate and adopt rules and
4 regulations necessary to carry out the provisions of this Code section.

5 (g) Nothing in this Code section shall be construed to impair the obligation of any
6 contract."

7 **SECTION 2.**

8 This Act shall become effective upon its approval by the Governor or upon its becoming law
9 without such approval.

10 **SECTION 3.**

11 All laws and parts of laws in conflict with this Act are repealed.