

House Bill 1568 (PASSED HOUSE AND SENATE)

By: Representatives Smith of the 175th, Hudson of the 156th, Skipper of the 137th, Burkhalter of the 41st, Turnquest of the 73rd and others

A BILL TO BE ENTITLED
AN ACT

1 To enact the "Natural Gas Consumers' Relief Act"; to amend Chapter 2 of Title 46 of the
2 Official Code of Georgia Annotated, relating to the Public Service Commission, so as to
3 allow 90 days for commission orders after a hearing regarding electric fuel cost recovery or
4 adoption or amendment of natural gas capacity supply plans; to authorize the Public Service
5 Commission to seek an injunction against the violation of any law administered by the
6 commission or any rule, order, or regulation established by the commission; to change
7 accounting procedures for gas utility rate proceedings; to clarify the authority of the
8 commission to initiate proceedings to determine certain rates; to amend Article 5 of Chapter
9 4 of Title 46 of the Official Code of Georgia Annotated, the "Natural Gas Competition and
10 Deregulation Act," so as to revise extensively and comprehensively; to revise legislative
11 findings and intent; to provide a bill of rights for consumers; to revise definitions; to provide
12 for a continuing requirement of financial and technical ability for marketers; to change
13 certain provisions relating to billing and reading meters; to provide that EMC gas affiliates
14 are eligible to receive certificates of authority as marketers; to provide for terms and
15 conditions governing the relationship between an electric membership corporation and its
16 EMC gas affiliate; to provide for a reasonable method of rate design; to provide that a fee for
17 distribution services shall not be required for certain billing periods; to change a provision
18 relating to an electing distribution company's revenues from interruptible distribution
19 service; to authorize a surcharge on certain customers receiving interruptible service; to
20 require a hearing relating to assignment of interstate capacity assets; to set out minimum
21 requirements for assignment of interstate capacity assets; to provide for authorizing
22 utilization of excess interstate capacity assets by an electing distribution company; to
23 authorize the commission to allocate the cost of lost and unaccounted for gas; to clarify and
24 change provisions relating to changing marketers; to change a provision relating to the
25 amount of deposits charged to natural gas consumers; to provide for additional circumstances
26 when the commission is authorized to issue temporary directives to protect retail customers;
27 to require an electing distribution company to cooperate with certificated marketers and the
28 regulated provider; to provide for service quality standards for electing distribution

1 companies, commission review of performance with regard to such standards, and penalties;
 2 to provide for rules governing marketers' terms of service, disclosure by marketers, the
 3 contents of consumer bills, and review for compliance with such rules; to provide certain
 4 remedies for consumers determined to be victims of slamming; to prohibit a marketer
 5 responsible for slamming a consumer from making certain reports to credit reporting
 6 agencies and provide for payment to consumers for violations; to provide that certain
 7 consumer protection rules shall be self-executing; to delete a provision prohibiting refusal
 8 to sell gas by marketers in certain circumstances; to prohibit estimated bills, unreasonable
 9 late fees, and retroactive rate increases; to provide for exceptions; to provide for filing
 10 changes in the terms and conditions for service with the commission and for the
 11 commission's authority related to such changes; to provide for minimum standards for terms
 12 and conditions for certain nonresidential customers and small businesses; to provide for a
 13 system for voluntary contributions to assist low-income residential consumers; to create the
 14 Natural Gas Consumer Education Advisory Board and provide for the duty, members,
 15 officers, appointment of members, and expenses of members of such board; to provide for
 16 a private right of action and for the application of Part 2 of Article 15 of Chapter 1 of Title
 17 10, the "Fair Business Practices Act of 1975"; to change certain provisions relating to the
 18 universal service fund; to provide for certain powers and purposes of electric membership
 19 corporations relating to natural gas; to provide for construction; to provide for selection of
 20 a regulated provider; to provide for the terms, conditions, rates, and customers for regulated
 21 gas services; to provide for reimbursements from the universal service fund in certain
 22 circumstances; to provide for related matters; to provide an effective date; to repeal
 23 conflicting laws; and for other purposes.

24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

25 **SECTION 1.**

26 This Act shall be known and may be cited as the "Natural Gas Consumers' Relief Act."

27 **SECTION 2.**

28 Chapter 2 of Title 46 of the Official Code of Georgia Annotated, relating to the Public
 29 Service Commission, is amended in Code Section 46-2-25, relating to procedures for
 30 changing rates, charges, classifications, or services, by inserting a new subsection to be
 31 designated subsection (e) to read as follows:

32 "(e) Nothing in this Code section shall be construed as limiting the authority granted to the
 33 commission by Code Sections 46-2-20 and 46-2-23 to initiate an earnings review hearing."

SECTION 3.

Said chapter is further amended in Code Section 46-2-26, relating to use of fuel-adjustment tariffs, procedures for rate changes based solely on changes in fuel costs, the commission's power over rate changes pursuant to procedures or contracts approved by a federal regulatory agency, and disclosures required for utilities seeking rate changes, by striking subsection (e) and inserting in lieu thereof the following:

"(e) Following such hearing, the commission shall issue an order stating the base rates to be used by the utility during the next three consecutive calendar months, or until changed as provided in this Code section. Should the commission fail or refuse to issue such order by the ~~forty-fifth~~ ninetieth day after the utility's filing, the base rates proposed by the utility shall thereupon be deemed adopted by operation of law."

SECTION 4.

Said chapter is further amended in Code Section 46-2-26.4, relating to accounting procedures in gas utility rate proceedings, by striking subsection (b) and inserting in lieu thereof a new subsection to read as follows:

"(b) In any proceeding commenced after April 1, 2002, to determine the rates to be charged by a gas utility, the gas utility shall file jurisdictionally allocated cost of service data on the basis of a test period, and the commission shall utilize a test period, consisting of actual data for the most recent 12 month period for which data are available, fully adjusted separately to reflect estimated operations during the 12 ~~month period commencing five months from the~~ months following the proposed effective date of the rates. After the initial filing, and until new rates go into effect, the utility shall file actual cost of service data as they become available for each month following the actual data which were filed. The utility shall have the burden of explaining and supporting the reasonableness of all estimates and adjustments contained in its cost of service data."

SECTION 5.

Said chapter is further amended by inserting a new Code section to be designated Code Section 46-2-95 to read as follows:

"46-2-95.

The commission may bring a civil action to enjoin the violation of any law administered by the commission or any rule, order, or regulation established by the commission. It shall not be necessary to allege or prove that there is no adequate remedy at law to obtain an injunction under this Code section."

1 (A) All consumers must have access to reliable, safe, and affordable gas service,
 2 including high quality customer service;

3 (B) All consumers must have the right to receive accurate, easily understood
 4 information about gas marketers, services, plans, terms and conditions, and rights and
 5 remedies. The information must be unbiased, accurate, and understandable in a written
 6 form, which allows for comparison of prices and terms of service;

7 (C) All consumers must receive the benefits of new services, technological advances,
 8 improved efficiency, and competitive prices;

9 (D) Standards for protecting consumers in matters such as deposit and credit
 10 requirements, service denials and terminations, and deferred payment provisions must
 11 be applied fairly to all consumers;

12 (E) All consumers must be protected from unfair, deceptive, fraudulent, and
 13 anticompetitive practices, including, but not limited to, practices such as cramming,
 14 slamming, and providing deceptive information regarding billing terms and conditions
 15 of service;

16 (F) All consumers shall receive accurate and timely bills from their marketers;

17 (G) All consumers are entitled to protection of their privacy and must be protected
 18 from improper use of their customer records or payment histories without their express
 19 consent;

20 (H) All consumers must be protected from price increases resulting from inequitable
 21 price shifting; and

22 (I) All consumers have the right to a fair and efficient process for resolving differences
 23 with marketers, including a system of internal review and an independent system of
 24 external review; and

25 (10) Provide that, in the event of any conflict between paragraph (9) of this subsection
 26 and any other paragraph of this subsection, the provisions of paragraph (9) shall override
 27 such other paragraph or paragraphs."

28 **SECTION 7.**

29 Said article is further amended by striking Code Section 46-4-152, relating to definitions, and
 30 inserting in lieu thereof the following:

31 "46-4-152.

32 As used in this article, the term:

33 (1) 'Adequate market conditions' means the existence of market conditions in relation to
 34 distribution service within a particular delivery group that have been determined pursuant
 35 to subsection (b) of Code Section 46-4-156 to warrant customer assignment.

1 (2) 'Affiliate' means another person which controls, is controlled by, or is under common
2 control with such person.

3 (3) 'Ancillary service' means a service that is ancillary to the receipt or delivery of
4 natural gas, including without limitation storage, balancing, peaking, and customer
5 services.

6 (4) 'Commodity sales service' means the sale of natural gas exclusive of any distribution
7 or ancillary service.

8 (4.1) 'Consumer' means a retail customer of commodity sales service or of firm
9 distribution service who uses such service or services primarily for personal, family, or
10 household purposes.

11 (5) 'Control' includes without limitation the possession, directly or indirectly and whether
12 acting alone or in conjunction with others, of the authority to direct or cause the direction
13 of the management or policies of a person. A voting interest of 10 percent or more
14 creates a rebuttable presumption of control. A voting interest of 25 percent or more is
15 deemed to constitute control. The term control includes the terms controlling, controlled
16 by, and under control with.

17 (5.1) 'Cramming' means billing for goods or services not requested or authorized by a
18 consumer.

19 (6) 'Customer assignment' means the process described in subsection (e) of Code Section
20 46-4-156 whereby retail customers within a particular distribution group who are not
21 under contract for distribution service from a marketer are randomly assigned to
22 certificated marketers.

23 (7) 'Customer service' means a function related to serving a retail customer including
24 without limitation billing, meter reading, turn-on service, and turn-off service.
25 Notwithstanding any provision of law to the contrary, any person may perform one or
26 more customer services without first becoming certificated in accordance with Code
27 Section 46-4-153; provided, however, that such service may only be performed in
28 compliance with all state and federal laws pertaining to the safety of natural gas pipelines
29 and distribution systems and any other applicable safety standards.

30 (8) 'Delivery group' means a set of individual delivery points on one or more interstate
31 pipeline suppliers to a gas company that may be aggregated and utilized for the
32 distribution of gas to a particular set of retail customers.

33 (9) 'Distribution service' means the delivery of natural gas by and through the intrastate
34 instrumentalities and facilities of a gas company or of a marketer certificated pursuant to
35 Code Section 46-4-153, regardless of the party having title to the natural gas.

1 (10) 'Electing distribution company' means a gas company which elects to become
 2 subject to the provisions of this article and satisfies the requirements of Code Section
 3 46-4-154.

4 (10.1) 'Electric membership corporation' or 'EMC' means any person defined in
 5 paragraph (3) or (5) of Code Section 46-3-171.

6 (10.2) 'Electric utility' means any electric power company subject to the rate regulation
 7 of the commission in accordance with Code Sections 46-2-20 and 46-2-21.

8 (10.3) 'Electricity activities' means all activities associated with the generation,
 9 transportation, marketing, and distribution of electricity.

10 (10.4) 'EMC gas affiliate' means a separately organized person, the majority interest of
 11 which is owned or held by or, with respect to a cooperative, managed by one or more
 12 cooperatives or electric membership corporations and which applies to the commission
 13 for a certificate of authority pursuant to Code Section 46-4-153.

14 (11) 'Firm' means a type of distribution service which ordinarily is not subject to
 15 interruption or curtailment.

16 (11.1) 'Gas activities' means all activities associated with the transportation, marketing,
 17 and distribution of natural gas conducted by a person certificated pursuant to Code
 18 Section 46-4-153. Such term shall not mean the production, transportation, marketing,
 19 or distribution of liquefied petroleum gas.

20 (12) 'Interruptible' means a type of distribution service which is subject to interruption
 21 or curtailment.

22 (12.1) 'Low-income residential consumer' means any person who meets the definition
 23 of a person who is qualified for the Low Income Home Energy Assistance Program, as
 24 promulgated by the Department of Human Resources, pursuant to Code Section 46-1-5.

25 (12.2) 'Majority interest' means the ownership of greater than 50 percent of:

26 (A) The partnership interests in a general or limited partnership;

27 (B) The membership interests of a limited liability company; or

28 (C) The stock in a for profit corporation which entitles the shareholder to vote and
 29 share in common or preferred dividends.

30 (13) 'Marketer' means any person certificated by the commission to provide commodity
 31 sales service or distribution services pursuant to Code Section 46-4-153 ~~or~~ and ancillary
 32 services incident thereto.

33 (14) 'Person' means any corporation, whether public or private; company; individual;
 34 firm; partnership; or association, including a cooperative or an electric membership
 35 corporation.

36 (14.1) 'Regulated gas service' means gas service provided by a regulated provider of
 37 natural gas.

1 (14.2) 'Regulated provider of natural gas' means the entity selected by the commission
 2 to provide to consumers natural gas commodity service and ancillary services incident
 3 thereto in accordance with Code Section 46-4-166.

4 (15) 'Retail customer' or 'retail purchaser' means a person who purchases commodity
 5 sales service or distribution service and such purchase is not for the purpose of resale.

6 (15.1) 'Slamming' means changing or causing a change of a consumer's service from one
 7 marketer or provider to another marketer or provider without request or authorization
 8 from the consumer.

9 (16) 'Straight fixed variable' means a rate form in which the fixed costs of providing
 10 distribution service are recovered through one or more fixed components and the variable
 11 costs are recovered through one or more variable components.

12 (17) 'Winter heating season' means the calendar days from October 1 of one year through
 13 March 31, inclusive, of the following year."

14 **SECTION 8.**

15 Said article is further amended in Code Section 46-4-153, relating to certificates of authority,
 16 by adding a new subsection (f) to the end thereof and by striking paragraph (1) of subsection
 17 (a) and striking subsection (d) and inserting in their respective places the following:

18 "(a)(1) No person other than a gas company or a regulated provider shall sell or offer to
 19 sell in intrastate commerce to any retail customer who receives primarily firm service
 20 within this state any commodity sales service or distribution service without first
 21 obtaining a certificate of authority from the commission covering the territory where such
 22 retail customer is located. Notwithstanding any provision of law to the contrary, any
 23 person selected by an electing distribution company, a certificated marketer, or a
 24 regulated provider may perform billing and meter reading services on behalf of such
 25 entity without first becoming certificated in accordance with the provisions of this Code
 26 section, provided that a certificated marketer or a regulated provider also submits the
 27 meter reading data so obtained to the electing distribution company in a timely manner."

28 "(d) Any certificate of authority issued by the commission is subject to revocation,
 29 suspension, or adjustment where the commission finds upon complaint and hearing that a
 30 marketer has failed repeatedly or has failed willfully to meet obligations to its retail
 31 customers and consumers which are imposed by this article, regulations issued pursuant
 32 to this article, or the marketer's certificate of authority; has engaged in unfair competition;
 33 or has abused its market position."

34 "(f) All gas marketers are required to continue to possess financial and technical capability
 35 to render service and offer service pursuant to contractual terms and conditions the

1 commission from time to time finds economically viable for delivery groups served. This
 2 is a continuing obligation and may be reviewed by the commission at any time."

3 SECTION 9.

4 Said article is further amended by inserting a new Code section to be designated Code
 5 Section 46-4-153.1 to read as follows:

6 "46-4-153.1.

7 (a) Notwithstanding any other provision of this article or Article 4 of Chapter 3 of this
 8 title, the commission shall have authority to issue certificates of authority to an EMC gas
 9 affiliate but shall not have authority to issue certificates of authority to an electric
 10 membership corporation. The commission's order granting a certificate of authority to an
 11 EMC gas affiliate shall include terms and conditions to govern the relationship between the
 12 electric membership corporation and its EMC gas affiliate. The terms and conditions shall
 13 be designed to prevent cross-subsidization between the provision of electricity and the
 14 provision of natural gas services, to encourage and promote fair competition in the overall
 15 retail natural gas market, and to protect the privacy of both electric and natural gas
 16 consumers.

17 (b) The order by the commission pursuant to this Code section shall include the
 18 requirements set forth in this subsection, as well as such other rules as the commission shall
 19 determine are necessary to protect electric and natural gas consumers and promote
 20 competition:

21 (1) To ensure that cross-subsidizations do not occur between the electricity services of
 22 an electric membership corporation and the gas activities of its gas affiliate, the terms and
 23 conditions ordered by the commission shall provide that each electric membership
 24 corporation having a gas affiliate shall:

25 (A) Fully allocate all electricity activities costs and gas activities costs, including costs
 26 for any shared services, between the electric membership corporation's electricity
 27 activities and the gas activities of its gas affiliate, in accordance with the applicable
 28 uniform system of accounts and generally accepted accounting principles, as applicable;

29 (B) Develop and maintain a cost allocation manual, approved by the commission,
 30 describing the electric membership corporation's methods of cost allocation and such
 31 other information and policies reasonably required by the commission to ensure
 32 compliance with this article and the terms and conditions ordered by the commission.

33 Such manual shall:

34 (i) Establish rules for the pricing of transactions between an electric membership
 35 corporation and its gas affiliate, including the transfer of assets between the two;

1 (ii) Provide that any loans from the electric membership corporation to its gas
2 affiliate shall be at market rates, shall not reflect rates which are generally available
3 through the use of any tax exempt financing, and may not be tied to any loans from
4 the federal or state government;

5 (iii) Require the electric membership corporation and its gas affiliate to maintain
6 separate books of accounts and records which shall, subject to the commission's rules
7 for treatment of trade secrets, be subject to production and inspection by the
8 commission for the sole purpose of confirming compliance with this article, the cost
9 allocation manual, and the terms and conditions of the gas affiliate's certificate; and

10 (iv) Require the annual filing of a statement with the commission certifying the
11 compliance by the electric membership corporation and its gas affiliate with the
12 approved cost allocation manual; and

13 (C) Not charge any costs of the gas affiliate to the electricity customers of the electric
14 membership corporation; and

15 (2) To protect customer privacy and prevent the misuse of customer information, the
16 terms and conditions ordered by the commission shall provide that no electric
17 membership corporation shall release any proprietary customer information to its gas
18 affiliate without obtaining prior verifiable authorization from the customer, as determined
19 in accordance with rules established by the commission.

20 (c) The commission may require that any customer service that an electric membership
21 corporation provides to its gas affiliate be offered to all marketers at the same rate and on
22 the same terms and conditions as provided to the gas affiliate. Any such services provided
23 to the gas affiliate or marketers must be on a strictly confidential basis, such that the
24 electric membership corporation does not share information regarding one marketer with
25 any other marketer, including an EMC gas affiliate.

26 (d) The terms and conditions shall accommodate the organizational structures of electric
27 membership corporations.

28 (e) To assure separate but coordinating governance of an electric membership corporation
29 and its gas affiliate, the terms and conditions shall prohibit more than one-half of the
30 persons serving as members of the board of directors of a gas affiliate from at the same
31 time serving on the board of directors of an electric membership corporation.

32 (f) Notwithstanding anything to the contrary contained in this Code section, the
33 commission shall make accommodation for the specific legal requirements imposed by
34 state or federal laws applicable to electric membership corporations and other
35 cooperatives."

~~(2) Over a 24 month period from the date the rates filed by the electing distribution company would otherwise be effective if such material fluctuation will be equal to or greater than 10 percent of the total gas charges for a group of retail customers.~~

~~However, in no event shall any such adjustment be made if the adjustment results in cross-subsidization between retail customers receiving firm distribution service and retail customers receiving interruptible distribution service or if the adjustment reduces the revenues to the electing distribution company for firm distribution service below those that would be recovered by the electing distribution company under the straight fixed variable rate without such adjustment.~~

~~(e)~~(b) In any proceeding before the commission to establish rates as provided in subsection (a) of this Code section, the commission shall prescribe rates for the services and cost recovery purposes specified in paragraphs (2), (3), (4), and (5) of subsection (a) of this Code section at levels which are designed to recover the costs of service of the electing distribution company as established by the commission in such proceeding. In such proceeding, the commission shall also prescribe a mechanism by which ~~90~~ 95 percent of the revenues to the electing distribution company from rates for interruptible distribution service shall be credited to the universal service fund established for that electing distribution company pursuant to Code Section 46-4-161. Each electing distribution company is authorized to retain for the benefit of its shareholders or owners ~~10~~ 5 percent of the revenues the electing distribution company received from rates for interruptible service. Each electing distribution company which retains ~~10~~ 5 percent of such revenues shall make a report to the commission annually describing the benefits resulting to firm retail customers from interruptible distribution service revenues.

~~(d)~~(c) In addition to any other applicable filing requirements, any such application by a gas company shall include the following:

(1) An identification of each component of natural gas service, including but not limited to commodity sales service, distribution service, and ancillary services, which are to be unbundled and offered under separate rates, together with the total costs to provide each such service by the electing distribution company including a return on investment;

(2) Provisions for offering each unbundled service on an equal access, nondiscriminatory basis;

(3) A description of the method by which the electing distribution company proposes to allocate its intrastate capacity for firm distribution service to a marketer based upon the peak requirements of the firm retail customers served by the marketer;

(4) A description of the method by which the electing distribution company proposes to allocate its rights to interstate pipeline and underground storage to a marketer based upon the peak requirements of the firm retail customers served by the marketer; and

1 (5) A plan for establishing and operating an electronic bulletin board by which the
 2 electing distribution company will provide marketers with equal and timely access to
 3 information relevant to the availability of firm distribution service.

4 ~~(e)~~(d) Notwithstanding any other provision of this title, the commission shall hold a
 5 hearing regarding an application filed pursuant to this Code section and may suspend the
 6 operation of the proposed schedules and defer the use of the proposed rates, charges,
 7 classifications, or services for a period of not longer than six months.

8 (e) The commission shall establish a surcharge on all customers receiving interruptible
 9 service over the electing distribution company's distribution system sufficient to ensure
 10 that such customers will pay an equitable share of the cost of the distribution system over
 11 which such customers receive service. The commission is authorized to direct the electing
 12 distribution company or the marketers to collect such surcharge directly from the
 13 customers. Such surcharge shall be paid promptly upon receipt into the universal service
 14 fund. This surcharge shall not be applied to any hospital that has a medicare and Medicaid
 15 payor mix of at least 30 percent and has uncompensated writeoffs for the provision of
 16 charity, indigent, and free health care services of not less than 5 percent of such hospital's
 17 annual operating expenses based on the annual hospital surveys by the Division of Health
 18 Planning of the Department of Community Health. This surcharge shall not be applied to
 19 any institution or property enumerated in Code Section 50-16-3, or administered or
 20 regulated under authority granted by Code Section 42-2-5 or 49-4A-6 or by Chapter 9 of
 21 Title 50."

22 SECTION 11.

23 Said article is further amended in Code Section 46-4-155, relating to regulation of unbundled
 24 services and capacity supply plans, by striking subsection (e) and inserting in lieu thereof the
 25 following:

26 "(e)(1) As used in this subsection, the term 'interstate capacity assets' means interstate
 27 transportation and out-of-state gas storage capacity.

28 (2) If, pursuant to the provisions of this article, the rates for commodity sales service of
 29 an electing distribution company within a delivery group or groups become no longer
 30 subject to the approval of the commission nor to the provisions of Code Section
 31 46-2-26.5, the electing distribution company nevertheless shall continue to be responsible
 32 for acquiring and contracting for the interstate capacity assets necessary for gas to be
 33 made available on its system, whether directly or by assignment to marketers, for firm
 34 distribution service to retail customers within such delivery group or groups unless
 35 determined otherwise by the commission in accordance with this subsection.

1 (3) At least every third year following the date when the rates for commodity sales
2 service within a delivery group or groups become no longer subject to commission
3 approval nor to the provisions of Code Section 46-2-26.5, the electing distribution
4 company shall file, on or before August 1 of such year, a capacity supply plan which
5 designates the array of available interstate capacity assets selected by the electing
6 distribution company for the purpose of making gas available on its system for firm
7 distribution service to retail customers in such delivery group or groups.

8 (4) Not less than ten days after any such filing by an electing distribution company, the
9 commission shall conduct a public hearing on the filing. The electing distribution
10 company's testimony shall be under oath and shall, with any corrections thereto,
11 constitute the electing distribution company's affirmative case. At any hearing conducted
12 pursuant to this subsection, the burden of proof to show that the proposed capacity supply
13 plan is appropriate shall be upon the electing distribution company.

14 (5) Following such a hearing, the commission shall issue an order approving the capacity
15 supply plan filed by the electing distribution company or adopting a capacity supply plan
16 for the electing distribution company that the commission deems appropriate. Should the
17 commission fail or refuse to issue an order by the ~~forty-fifth~~ ninetieth day after the
18 electing distribution company's filing which either approves the capacity supply plan
19 filed by the electing distribution company or adopts a different capacity supply plan for
20 the electing distribution company, the capacity supply plan proposed by the electing
21 distribution company shall thereupon be deemed approved by operation of law.

22 (6) Any capacity supply plan approved or adopted by the commission shall:

23 (A) Specify the range of the requirements to be supplied by interstate capacity assets;

24 (B) Describe the array of interstate capacity assets selected by the electing distribution
25 company to meet such requirements;

26 (C) Describe the criteria of the electing distribution company for entering into contracts
27 under such array of interstate capacity assets from time to time to meet such
28 requirements; provided, however, that a capacity supply plan approved or adopted by
29 the commission shall not prescribe the individual contracts to be executed by the
30 electing distribution company in order to implement such plan; and

31 (D) Specify the portion of the interstate capacity assets which must be retained and
32 utilized by the electing distribution company in order to manage and operate its system.

33 (7) When interstate capacity assets that are contained in a capacity supply plan approved
34 or adopted by the commission are allocated by the electing distribution company to a
35 marketer pursuant to the provisions of this article, all of the costs of the interstate capacity
36 assets thus allocated shall be borne by such marketer.

1 (8) The provisions of law relating to parties, intervention, and discovery in proceedings
2 before the commission shall apply with respect to proceedings under this subsection.

3 (9) All commission orders issued pursuant to this subsection shall contain the
4 commission's findings of fact and conclusions of law upon which the commission's
5 action is based. Any such order shall be deemed a final order subject to judicial review
6 under Chapter 13 of Title 50, the 'Georgia Administrative Procedure Act.'

7 (10) Prior to the approval or adoption of a capacity supply plan pursuant to this
8 subsection, the interstate capacity assets of the electing distribution company in the most
9 current gas supply plan of such company approved or adopted by the commission
10 pursuant to the provisions of Code Section 46-2-26.5 shall be treated as a capacity supply
11 plan that is approved or adopted by the commission for purposes of this subsection.

12 (11) After a capacity supply plan has become effective pursuant to provisions of this
13 subsection as a result of a proceeding before the commission, the commission shall retain
14 jurisdiction of the proceeding for the purposes set forth in this subsection. Upon
15 application of the affected electing distribution company or the consumers' utility counsel
16 division of the Governor's Office of Consumer Affairs or upon its own initiative, the
17 commission may, after affording due notice and opportunity for hearing to the affected
18 electing distribution company and the intervenors in the proceeding, amend the capacity
19 supply plan of the affected electing distribution company. Any such amendment shall not
20 adversely affect rights under any contract entered into pursuant to such plan without the
21 consent of the parties to such contracts. If an amendment proceeding is initiated by the
22 affected electing distribution company and the commission fails or refuses to issue an
23 order by the ~~forty-fifth~~ ninetieth day after the electing distribution company's filing, the
24 amended capacity supply plan proposed by the electing distribution company shall
25 thereupon be deemed approved by operation of law.

26 (12) After an electing distribution company has no obligation to provide commodity
27 sales service to retail customers pursuant to the provisions of Code Section 46-4-156 and
28 upon the petition of any interested person and after notice and opportunity for hearing
29 afforded to the electing distribution company, all parties to the most current proceeding
30 establishing a capacity supply plan for such electing distribution company, the
31 consumers' utility counsel division of the Governor's Office of Consumer Affairs, ~~and~~
32 all marketers who have been issued a certificate of authority pursuant to Code Section
33 46-4-153, and all owners or operators of interstate gas pipelines that are a part of said
34 capacity supply plan, the commission may issue an order eliminating the responsibility
35 of the electing distribution company for acquiring and contracting for interstate capacity
36 assets necessary for gas to be made available on its system as well as the obligation of
37 such electing distribution company to file any further capacity supply plans with the

1 commission pursuant to the provisions of this subsection, if the commission determines
2 that:

3 (A) Marketers can and will secure adequate and reliable interstate capacity assets
4 necessary to make gas available on the system of the electing distribution company for
5 service to firm retail customers;

6 (B) Adequate, reliable, and economical interstate capacity assets will not be diverted
7 from use for service to retail customers in Georgia;

8 (C) There is a competitive, highly flexible, and reasonably accessible market for
9 interstate capacity assets for service to retail customers in Georgia;

10 (D) Elimination of such responsibility on the part of the electing distribution company
11 would not adversely affect competition for natural gas service to retail customers in
12 Georgia; and

13 (E) Elimination of such responsibility on the part of the electing distribution company
14 is otherwise in the public interest.

15 If the commission eliminates the responsibility of an electing distribution company for
16 acquiring and contracting for interstate capacity assets and filing further capacity supply
17 plans in accordance with this subsection, the commission shall annually review the
18 assignment of interstate capacity assets.

19 (13) Notwithstanding any other provisions in this Code section to the contrary, no later
20 than July 1, 2003, the commission shall, after notice afforded to the electing distribution
21 company, the consumers' utility counsel division of the Governor's Office of Consumer
22 Affairs, all marketers who have been issued a certificate of authority in accordance with
23 Code Section 46-4-153, and all owners or operators of interstate gas pipelines that are a
24 part of said capacity supply plan, hold a hearing regarding a plan for assignment of
25 interstate assets. After such hearing, the commission may adopt a plan for assignment
26 of interstate capacity assets held by the electing distribution company, except for those
27 interstate capacity assets reasonably required for balancing. If adopted, the plan shall
28 provide for interstate capacity assets to be assigned to certificated marketers who desire
29 assignment and who are qualified technically and financially to manage interstate
30 capacity assets. Marketers who accept assignment of interstate capacity assets shall be
31 required by the commission to use such assets primarily to serve retail customers in
32 Georgia and shall be permitted to use such assets outside Georgia so long as the
33 reliability of the system is not compromised. Thereafter, the commission shall annually
34 review the assignment of interstate capacity assets.

35 (14) Any order eliminating the responsibility of the electing distribution company for
36 acquiring and contracting for interstate capacity assets pursuant to paragraph (12) of this

1 subsection and any plan for assignment of interstate capacity assets pursuant to paragraph
 2 (13) of this subsection shall, at a minimum, ensure that:
 3 (A) Shifts in market share are reflected in an orderly reassignment of interstate
 4 capacity assets;
 5 (B) Marketers hold sufficient interstate capacity assets to meet the needs of retail
 6 customers;
 7 (C) Before any such assignment is authorized, the assignee demonstrates to the
 8 commission that such assignment will result in financial benefits to firm retail
 9 customers;
 10 (D) Before any marketer discontinues service in the Georgia market, it assigns its
 11 contractual rights for interstate capacity assets used to serve Georgia retail customers
 12 in a manner designated by the commission;
 13 (E) In the event that the commission imposes temporary directives in accordance with
 14 Code Section 46-4-157, interstate capacity assets assigned to marketers are subject to
 15 reassignment by the commission to protect the interests of retail customers; and
 16 (F) Any other requirement that the commission finds to be in the public interest is
 17 imposed upon assignees as a condition of the assignment of interstate capacity assets.
 18 (15) After notice and an opportunity for hearing, the commission may authorize, subject
 19 to reasonable terms and conditions, an electing distribution company or its designee to
 20 utilize or monetize excess interstate capacity assets available to the electing distribution
 21 company."

22 SECTION 12.

23 Said article is further amended in Code Section 46-4-156, relating to customer assignment;
 24 determination of adequate market conditions; notice to customers; petition proceedings;
 25 changes in marketers; and deposits, by striking paragraph (3) of subsection (b) and
 26 subsections (c), (g), and (h) and inserting in lieu thereof the following:

27 "(3) Subject to subsection (d) of this Code section and provided that all initial
 28 assignments of rights to intrastate capacity for firm distribution service, interstate
 29 pipeline, and underground storage by an electing distribution company to marketers, as
 30 necessary for marketers to initiate service to all firm retail customers with which they
 31 have contracted or to which they have been assigned as provided for in this Code section,
 32 whether by allocation pursuant to a tariff approved under paragraph (3) or (4) of
 33 subsection ~~(d)~~ (c) of Code Section 46-4-154 or by contract, are effective pursuant to the
 34 terms of such tariff or contract and, provided, further, that all initial assignments of rights
 35 under firm wellhead gas supply contracts by an electing distribution company to
 36 marketers, as necessary for marketers to initiate service to all firm retail customers with

1 which they have contracted or to which they have been assigned as provided for in this
 2 Code section, by allocation pursuant to a tariff approved under Code Section 46-4-154
 3 are effective pursuant to the terms of such tariff, an electing distribution company has no
 4 obligation to provide commodity sales service to retail customers."

5 "(c) If the commission issues an order pursuant to subsection (b) of this Code section
 6 determining that adequate market conditions exist, it shall prescribe in such order the
 7 contents of notices to be furnished pursuant to the provisions of subsection (e) of this Code
 8 section. Subject to the provisions of subsection (d) of this Code section, on the one hundred
 9 twentieth day following the issuance of an order for a particular delivery group:

10 (1) Except as otherwise provided in paragraph (4) of this subsection, the ~~The~~ rates and
 11 terms of service of an electing distribution company for interruptible distribution service
 12 and balancing service shall not be subject to approval by the commission, provided that
 13 all firm retail customers have contracted with or have been assigned to marketers as
 14 provided for in this Code section;

15 (2) Except as otherwise provided in paragraph (4) of this subsection, The rates and terms
 16 of service for commodity sales service provided by an electing distribution company to
 17 retail purchasers of firm distribution service shall not be subject to approval by the
 18 commission, provided that all firm retail customers have contracted with or have been
 19 assigned to marketers as provided for in this Code section; ~~and~~

20 (3) Subject to subsection (d) of this Code section and provided that all initial assignments
 21 of rights to intrastate capacity for firm distribution service, interstate pipeline, and
 22 underground storage by an electing distribution company to marketers, as necessary for
 23 marketers to initiate service to all firm retail customers with which they have contracted
 24 or to which they have been assigned as provided for in this Code section, whether by
 25 allocation pursuant to a tariff approved under paragraph (3) or (4) of subsection (d) of
 26 Code Section 46-4-154 or by contract, are effective pursuant to the terms of such tariff
 27 or contract and, provided, further, that all initial assignments of rights under firm
 28 wellhead gas supply contracts by an electing distribution company to marketers, as
 29 necessary for marketers to initiate service to all firm retail customers with which they
 30 have contracted or to which they have been assigned as provided for in this Code section,
 31 by allocation pursuant to a tariff approved under Code Section 46-4-154 are effective
 32 pursuant to the terms of such tariff, an electing distribution company has no obligation
 33 to provide commodity sales service to retail customers; and

34 (4) The commission is authorized to provide by order, after notice and hearing, for the
 35 allocation of the cost of lost and unaccounted for gas among interruptible and firm retail
 36 customers."

1 "(g) Notwithstanding any other provision of this article, a ~~retail customer~~ consumer shall
 2 be authorized to change marketers at least once a year without incurring any service charge
 3 relating to such change to an alternative marketer. No marketer shall charge any consumer
 4 a service charge relating to a change to an alternative marketer if such consumer has not
 5 changed marketers within the previous 12 months. Except as otherwise provided in a
 6 legally binding contract between the marketer and the consumer, no marketer shall require
 7 a notice period from a consumer if a consumer elects to change service to an alternative
 8 marketer. The commission shall investigate methods to expedite the electing distribution
 9 company's processes for switching consumers to the consumers' preferred marketer and
 10 may enter appropriate orders to expedite switching consumers.

11 (h) A marketer may require a deposit, not to exceed \$150.00, from a ~~retail customer~~
 12 consumer prior to providing gas distribution service to such ~~customer~~; ~~provided, however,~~
 13 ~~that such deposit cannot exceed 100 percent of the customer's average monthly bill based~~
 14 ~~on past customer usage and current marketer prices~~ consumer. A marketer is not
 15 authorized to require an increase in the deposit of a consumer if such consumer has paid
 16 all bills from the marketer in a timely manner for a period of three months. A marketer
 17 shall refund to any consumer who is not currently delinquent on payments to the marketer
 18 any deposit amount exceeding \$150.00 within 30 days following the effective date of this
 19 subsection. In any case where a marketer has required a deposit from a ~~retail customer~~
 20 consumer and such ~~customer~~ consumer has paid all bills from the marketer in a timely
 21 manner for a period of six months, the marketer shall be required to refund the deposit to
 22 the ~~customer~~ consumer within 60 days. In any event, a deposit shall be refunded to a ~~retail~~
 23 ~~customer~~ consumer within 60 days of the date that a ~~retail customer~~ such consumer
 24 changes marketers or discontinues service, provided ~~the retail customer~~ that such consumer
 25 has satisfied all of his or her outstanding financial obligations to the marketer."

26 SECTION 13.

27 Said article is further amended by striking Code Section 46-4-157, relating to temporary
 28 directives, and inserting in lieu thereof the following:

29 "46-4-157.

30 (a) If, in an expedited hearing pursuant to the provisions of Chapter 13 of Title 50, the
 31 'Georgia Administrative Procedure Act':

32 (1) The commission determines for a specific delivery group, as to which the
 33 commission has issued an order pursuant to subsection (b) of Code Section 46-4-156, that
 34 the prices for natural gas paid by firm retail customers in such delivery group are not
 35 constrained by market forces and are significantly higher than such prices would be if
 36 they were constrained by market forces; or

1 (2) The commission determines for a specific delivery group, as to which the
2 commission has not issued an order pursuant to subsection (b) of Code Section 46-4-156,
3 that the prices charged by an electing distribution company to ~~residential customers~~
4 consumers for commodity sales services, which prices have not been approved by the
5 commission pursuant to Code Section 46-2-26.5, are generally not constrained by market
6 forces and are significantly higher than such prices would be if they were constrained by
7 market forces,

8 then the commission, on an emergency basis, may by order temporarily impose such
9 directives on gas companies subject to its jurisdiction as are required to protect the interests
10 of firm retail customers in such delivery group including but not limited to price
11 regulations and the imposition upon the electing distribution company of the obligation to
12 serve retail customers in such delivery group under the same or similar conditions to those
13 under which such customers were served prior to customer assignment in such delivery
14 group. In no event shall such emergency directives extend beyond the first day of July
15 immediately following the next full annual session of the General Assembly after the
16 imposition of such directives. In its order the commission shall provide for recovery of all
17 costs reasonably incurred by the electing distribution company in complying with the
18 directives. Any such directives shall be drawn as narrowly as possible to accomplish the
19 purpose of protecting the public on an interim basis. No such directive shall impose any
20 condition upon the electing distribution company which unreasonably burdens the
21 company. Such directives shall be immediately reviewable in the Superior Court of Fulton
22 County in the same manner and subject to the same procedures as the review of any other
23 contested case under the provisions of Code Section 50-13-19. ~~The provisions of this Code~~
24 ~~section shall not apply to a delivery group for which customer assignment occurred more~~
25 ~~than four years prior to the date of notice of the expedited hearing.~~

26 ~~(b) If, in an expedited hearing pursuant to the provisions of Chapter 13 of Title 50, the~~
27 ~~'Georgia Administrative Procedure Act,' the commission determines that market conditions~~
28 ~~are no longer competitive, then the commission, on an emergency basis, may by order~~
29 ~~temporarily impose such directives on marketers as are required to protect the interests of~~
30 ~~retail customers in the state, including, but not limited to, price regulations on the~~
31 ~~marketers. For purposes of this subsection, market conditions shall be considered~~
32 ~~competitive as long as there are at least three marketers soliciting and providing~~
33 ~~distribution services to residential and small business customers in this state; provided,~~
34 ~~however, that, in any case where there are three or less marketers soliciting and providing~~
35 ~~distribution services to residential and small business customers in this state, market~~
36 ~~conditions shall not be considered competitive if the commission upon clear and~~
37 ~~convincing evidence determines that as a result of collusion among such marketers, prices~~

1 ~~for natural gas paid by retail customers are not being adequately constrained by market~~
 2 ~~forces and are significantly higher than such prices would be if they were constrained by~~
 3 ~~market forces. In no event shall such emergency directives extend beyond the first day of~~
 4 ~~July immediately following the next full annual session of the General Assembly after the~~
 5 ~~imposition of such directives. Any such directives shall be drawn as narrowly as possible~~
 6 ~~to accomplish the purpose of protecting the public on an interim basis. Such directives shall~~
 7 ~~be immediately reviewable in the Superior Court of Fulton County in the same manner and~~
 8 ~~subject to the same procedures as the review of any other contested case under the~~
 9 ~~provisions of Code Section 50-13-19.~~

10 (b) If, in an expedited hearing pursuant to the provisions of Chapter 13 of Title 50, the
 11 'Georgia Administrative Procedure Act,' the commission makes any of the determinations
 12 described in subsection (c) or (d) of this Code section, the commission may, on a temporary
 13 basis, by order impose on marketers such directives as are required to protect the interest
 14 of firm retail customers in a specific delivery group, including but not limited to price
 15 regulations. In no event shall such emergency directives extend beyond the first day of July
 16 in the year immediately following imposition of such directives. Any such directives shall
 17 be drawn as narrowly as possible to accomplish the purpose of protecting the public on an
 18 interim basis. Such directives shall be immediately reviewable in the Superior Court of
 19 Fulton County in the same manner and subject to the same procedures as the review of any
 20 other contested case under the provisions of Code Section 50-13-19.

21 (c) Upon determination by the commission that market conditions are no longer
 22 competitive, the commission may impose directives as described in subsection (b) of this
 23 Code section. For purposes of this subsection, there shall be a rebuttable presumption that
 24 market conditions are not competitive if more than 90 percent of firm retail customers in
 25 a specific delivery group are served by three or fewer marketers; provided, however, that
 26 marketers who are affiliates shall be deemed to be one marketer for purposes of this
 27 subsection.

28 (d) Upon determination by the commission, based upon a standard previously adopted by
 29 rule of the commission, that prices paid by firm retail customers for natural gas in a specific
 30 delivery group are not constrained by market forces and are significantly higher than such
 31 prices would be if they were constrained by market forces, the commission may impose
 32 directives as described in subsection (b) of this Code section."

SECTION 14.

34 Said article is further amended in Code Section 46-4-158, relating to the obligations of an
 35 electing distribution company, by striking subsection (a) and inserting in lieu thereof the
 36 following:

1 standards established in accordance with this Code section. Such reports shall be filed at
2 least quarterly, or on a more frequent basis if ordered by the commission.

3 (c) Failure to comply with service quality standards established in accordance with this
4 Code section shall subject an electing distribution company, certificated marketer, or
5 regulated provider to fines as determined by the commission.

6 (d) At least annually the commission shall conduct a proceeding to review compliance
7 with the service quality standards by the electing distribution company, certificated
8 marketer, and regulated provider.

9 (e) If the commission determines that an electing distribution company has failed to
10 satisfactorily meet the performance standards for system forecasting, including setting the
11 daily supply requirement and the marketer firm obligation, or has otherwise demonstrated
12 an inability to perform such function properly, then the commission may enter an order
13 relieving the electing distribution company of its system forecasting responsibilities and
14 may establish a competitive request for proposal process to select an independent entity
15 with the technical and financial ability to perform the role of system forecasting, including
16 setting the daily supply requirement and the marketer firm obligation. The agreement for
17 system forecasting shall include standards for evaluating the performance of the forecaster
18 and for awarding incentives for superior performance and imposing disincentives for
19 unsatisfactory performance. The commission shall establish an appropriate mechanism to
20 recover the cost of performing such functions.

21 (f) If the commission determines that the public interest would be served thereby, the
22 commission may enter an order establishing a competitive request for proposal process to
23 select an independent auditor or auditors for the purpose of examining:

24 (1) The daily, monthly, and annual accounting of transactions among each electing
25 distribution company, its affiliated companies, and certificated marketers; and

26 (2) Compliance with the provisions of subsections (b) and (c) of Code Section 46-4-159.

27 (g) Any independent auditor selected in accordance with subsection (f) of this Code
28 section shall prepare a semiannual audit report to the commission. Unless a written
29 objection clearly specifying one or more errors or inaccuracies in the audit report is filed
30 within ten days after the audit report is filed with the commission, the audit report shall be
31 accepted by the commission. If an objection is filed, the commission shall conduct an
32 expedited hearing within ten days after the objection is filed to determine whether to accept
33 the audit report. A final decision shall be issued five days after such a hearing. An audit
34 report, along with its status as accepted or not accepted by the commission, shall be
35 admissible in any litigation relating to transactions described or evaluated in the audit
36 report.

1 (h) Sale of gas held in storage for a certificated marketer to third parties by an electing
2 distribution company shall be prohibited; provided, however, that use of gas held in storage
3 for a certificated marketer by the electing distribution company to ensure system balancing
4 and reliability shall not be prohibited.

5 46-4-158.2.

6 The commission shall by September 1, 2002, adopt rules governing a marketer's terms of
7 service for natural gas consumers. Such rules shall provide, without limitation, that:

8 (1) Each retail natural gas marketer shall establish policies and procedures for handling
9 billing disputes and requests for payment arrangements, which must be approved by the
10 commission;

11 (2) A marketer's advertised prices shall reflect the prices or the pricing methodology in
12 disclosure statements and billed prices and shall be presented in the standard pricing unit
13 of the electing distribution company;

14 (3) The consumer shall have a right to contact the commission and the consumers' utility
15 counsel division of the Governor's Office of Consumer Affairs if he or she is not satisfied
16 with the response of the marketer;

17 (4) Marketers shall provide all consumers with a three-day right of rescission following
18 the receipt of the disclosure statement, which shall be provided to consumers at times
19 specified in rules and regulations of the commission. Consumers may cancel an
20 agreement in writing or electronically by contacting the marketer;

21 (5) Whenever a marketer offers a fixed term agreement and the expiration date of such
22 agreement is approaching, or whenever a marketer proposes to change its terms of service
23 under any type of agreement, the marketer shall provide written notification to the natural
24 gas consumer, clearly explaining the consumer's options at that point, including, but not
25 limited to, the option to seek another marketer;

26 (6) A marketer shall not charge cancellation fees to a low-income residential consumer
27 seeking service for the first time from the regulated provider;

28 (7) Gas service to a consumer shall be disconnected only for failure to pay for service
29 from the consumer's current marketer. A marketer may not request disconnection of
30 service for nonpayment of a bill which was not sent to the consumer in a timely manner.
31 Every marketer shall be required to offer at least one reasonable payment arrangement
32 in writing to a consumer prior to requesting that such consumer be disconnected for
33 failure to pay. Disconnection of service to a consumer is authorized no earlier than 15
34 days after a notice that service will be disconnected;

35 (8) Marketers shall be prohibited from sending estimated bills to natural gas consumers;
36 provided, however, that when information from actual meter readings is not made

1 available by the electing distribution company or any other party authorized to perform
2 meter reading, marketers may send an estimated bill for not more than two consecutive
3 months; and

4 (9) No marketer shall be authorized to prevent a consumer from obtaining distribution
5 and commodity sales service from another marketer or provider.

6 46-4-158.3.

7 The commission shall, by September 1, 2002, adopt rules and regulations requiring
8 marketers which provide firm distribution service under this article to provide adequate and
9 accurate consumer information to enable consumers to make informed choices regarding
10 the purchase of natural gas services. Such rules shall provide, without limitation, that:

11 (1) A disclosure statement shall be provided to consumers in an understandable format
12 that enables such consumers to compare prices and services on a uniform basis. Rules
13 adopted by the commission shall provide when disclosure statements shall be provided
14 to consumers. Such disclosure statements shall include, but shall not be limited to, the
15 following:

16 (A) For fixed rate charges for natural gas service, a clear disclosure of the components
17 of the fixed rate, the actual prices charged by the marketer, presented in a single
18 standard pricing unit which includes any charges imposed by the marketer or its agent,
19 so that the consumer can compare rates among marketers. This disclosure shall not
20 include state and local sales taxes. The standard pricing disclosure unit must include
21 all recurring monthly charges;

22 (B) For variable rate charges for natural gas service, a clear and understandable
23 explanation of the factors that will cause the price to vary and how often the price can
24 change, the current price, and the ceiling price, if any, so that the consumer can
25 compare rates among marketers. The current price and ceiling price, if applicable, shall
26 be presented in a single standard pricing unit which includes any charges imposed by
27 the marketer or its agent. This disclosure shall not include state and local sales taxes.
28 The standard pricing disclosure unit must include all recurring monthly charges;

29 (C) A statement that the standard unit price does not include state and local taxes or
30 charges imposed by the electing distribution company;

31 (D) The length of the agreement, including the starting date and expiration date, if
32 applicable;

33 (E) The billing interval, the method by which monthly charges imposed by the electing
34 distribution company will be billed to the consumer in the event the consumer
35 commences or terminates service with the marketer during the billing interval, and any
36 late payment, cancellation, or reconnection fees;

1 (F) The marketer's budget billing, payment, credit, deposit, cancellation, collection,
2 and reconnection policies and procedures;

3 (G) How to contact the marketer for information or complaints;

4 (H) A statement of the natural gas consumer's right to contact the commission and the
5 consumers' utility counsel division of the Governor's Office of Consumer Affairs if he
6 or she is not satisfied with the response of the marketer, including the local and toll-free
7 telephone numbers of these agencies;

8 (I) The division name and telephone number for information regarding heating
9 assistance administered by the Department of Human Resources;

10 (J) The following statement:

11 'A consumer shall have a three-day right of rescission following the receipt of this
12 disclosure at the time of initiating service or when informed of a change in terms or
13 conditions. You, the consumer, may cancel in writing or electronically by contacting
14 the marketer.';

15 (K) The following statement:

16 'If you have a fixed term agreement with us and it is approaching the expiration date,
17 or whenever we propose to change our terms of service in any type of agreement, you
18 will receive written notification from us prior to the date of expiration of or change
19 to the agreement. We will explain your options to you in this advance notification.';

20 (L) A statement setting forth the requirements of paragraphs (6) through (9) of Code
21 Section 46-4-158.2; and

22 (M) A statement that deposits shall not exceed \$150.00; and

23 (2) Natural gas consumers' bills shall be accurate and understandable and shall contain
24 sufficient information for a consumer to compute and compare the total cost of
25 competitive retail natural gas services. Such bills shall include, but not be limited to, the
26 following:

27 (A) The consumer's name, billing address, service address, and natural gas company
28 account number;

29 (B) The dates of service covered by the bill, an itemization of each type of competitive
30 natural gas service covered by the bill, any related billing components, the charge for
31 each type of natural gas service, and any other information the consumer would need
32 to recalculate the bill for accuracy;

33 (C) The applicable billing determinants, including beginning meter reading, ending
34 meter reading, multipliers, and any other consumption adjustments;

35 (D) The amount billed for the current period, any unpaid amounts due from previous
36 periods, any payments or credits applied to the consumer's account during the current

- 1 period, any late payment charges or gross and net charges, if applicable, and the total
 2 amount due and payable;
- 3 (E) The due date for payment to keep the account current;
- 4 (F) The current balance of the account, if the natural gas consumer is billed according
 5 to a budget plan;
- 6 (G) Options and instructions on how the natural gas consumer can make a payment;
- 7 (H) A toll-free or local telephone number and address for consumer billing questions
 8 or complaints for any retail natural gas company whose charges appear on the bill;
- 9 (I) The applicable electing distribution company's 24 hour local or toll-free telephone
 10 number for reporting service emergencies; and
- 11 (J) An explanation of any codes and abbreviations used.

12 46-4-158.4.

13 The commission shall by September 1, 2002, adopt rules establishing minimum standards
 14 for a marketer's terms and conditions of service for various classes of firm retail customers
 15 that are nonresidential and small businesses. In defining such classes, the commission may
 16 consider relevant factors, including but not limited to consumption history, estimated
 17 usage, and the size of the customer.

18 46-4-158.5.

19 The commission shall continually review marketers' compliance with rules promulgated
 20 in accordance with Code Sections 46-4-158.2, 46-4-158.3, and 46-4-158.4."

21 **SECTION 16.**

22 Said article is further amended by striking Code Section 46-4-160, relating to marketers and
 23 provision of information to the public regarding prices of marketers, and inserting in lieu
 24 thereof the following:

25 "46-4-160.

26 (a) With respect to a marketer certificated pursuant to Code Section 46-4-153, the
 27 commission shall have authority to:

- 28 (1) Adopt reasonable rules and regulations governing the certification of a marketer;
- 29 (2) Grant, modify, impose conditions upon, or revoke a certificate;
- 30 (3) Adopt reasonable rules governing service quality. In promulgating consumer
 31 protection rules under this article, the commission shall, to the extent practicable, provide
 32 for rules with a self-executing mechanism to resolve such complaints in a timely manner.
 33 Such consumer protection rules shall encourage marketers to resolve complaints without
 34 recourse to the commission and shall expedite the handling of those complaints that do

1 require action by the commission by providing for a minimum payment of \$100.00 to the
2 consumer, plus penalties and fines as determined by the commission, for violations of
3 such rules;

4 (4) Resolve complaints against a marketer regarding that marketer's service;

5 (5) Adopt reasonable rules and regulations relating to billing practices of marketers and
6 information required on customers' bills. The commission shall require at a minimum
7 that bills specify the gas consumption amount, price per therm, distribution charges, and
8 any service charges. The commission shall prescribe performance standards for marketer
9 billing relating to accuracy and timeliness of customer bills;

10 (6) Adopt reasonable rules and regulations relating to minimum resources which
11 marketers are required to have in this state for customer service purposes. The rules and
12 regulations shall require a marketer to have and maintain the ability to process cash
13 payments from customers in this state. The rules and regulations shall provide
14 procedures relating to the handling and disposition of customer complaints; and

15 (7) Adopt reasonable rules and regulations requiring marketers to provide notification
16 to retail customers of or include with customer bills information relating to where
17 customers may obtain pricing information relative to gas marketers.

18 (b) Prior to the determination by the commission pursuant to Code Section 46-4-156 that
19 adequate market conditions exist within a delivery group, each marketer must separately
20 state on its bills to retail customers within the delivery group the charges for firm
21 distribution service and for commodity sales.

22 ~~(c) A marketer shall not refuse to sell gas to a potential firm retail customer within the~~
23 ~~territory covered by the marketer's certificate of authority if the sale can be made by the~~
24 ~~marketer pursuant to the rules for service authorized by the marketer's certificate of~~
25 ~~authority and upon terms that will provide the marketer with just and adequate~~
26 ~~compensation. The~~ Except as otherwise provided by this article, the price at which a
27 marketer sells gas shall not be ~~fixed~~ regulated by the commission.

28 (d) The commission and the consumers' utility counsel division of the Governor's Office
29 of Consumer Affairs shall have access to the books and records of marketers as may be
30 necessary to ensure compliance with the provisions of this article and with the
31 commission's rules and regulations promulgated under this article.

32 (e) Except as otherwise provided in this article, certification of a person as a marketer by
33 the commission pursuant to Code Section 46-4-153 does not subject the person to the
34 jurisdiction of the commission under this title, including without limitation the provisions
35 of Article 2 of Chapter 2 of this title.

1 (f) The provisions of Article 3 of Chapter 2 of this title shall apply to an investigation or
 2 hearing regarding a marketer. The provisions of Articles 4 and 5 of Chapter 2 of this title
 3 shall apply to a marketer.

4 ~~(g) The provisions of Part 2 of Article 15 of Chapter 1 of Title 10, the 'Fair Business
 5 Practices Act of 1975,' shall apply to a marketer.~~

6 ~~(h)~~(g) The commission, subject to receiving state funds for such purpose, is required to
 7 have published at least quarterly in newspapers throughout the state a summary of the price
 8 per therm and any other amounts charged to retail customers by each marketer operating
 9 in this state and any additional information which the commission deems appropriate to
 10 assist customers in making decisions regarding choice of a marketer. In addition, the
 11 commission shall make such information available to Georgia Public Telecommunications
 12 (GPTV) under the jurisdiction of the Georgia Public Telecommunications Commission
 13 which will provide such information to the general public at a designated time at least once
 14 a month.

15 ~~(i)~~(h) A marketer shall render a bill to retail customers for services within 30 days of the
 16 date following the actual monthly meter reading. ~~A 15 day grace period is permitted prior
 17 to the application of any penalty.~~ A marketer's bill shall utilize the results of the actual
 18 meter reading subject to paragraph (8) of Code Section 46-4-158.2. The price for natural
 19 gas billed to a natural gas consumer shall not exceed the marketer's published price
 20 effective at the beginning of the consumer's billing cycle. A marketer shall allow the
 21 natural gas consumer a reasonable period of time to pay the bill from the date the consumer
 22 receives the bill, prior to the application of any late fees or penalties. Marketers shall not
 23 impose unreasonable late fees or penalties and in no event shall any such fees or penalties
 24 exceed \$10.00 or 1.5 percent of the past due balance, whichever is greater.

25 ~~(j)~~(i) Any marketer which willfully violates any provision of this Code section or any duly
 26 promulgated rules or regulations issued under this Code section, including but not limited
 27 to rules relating to false billing, or which fails, neglects, or refuses to comply with any
 28 order of the commission after notice thereof shall be liable for any penalties authorized
 29 under Code Section 46-2-91.

30 (j) As used in this subsection, the phrase 'terms and conditions' does not include price. At
 31 least 30 days prior to the effective date of any changes in the terms and conditions for
 32 service authorized by the marketer's certificate of authority, a marketer shall file such
 33 changes with the commission. Such changes to the terms and conditions of service shall
 34 go into effect on the effective date proposed by the marketer; provided, however, that the
 35 commission shall be authorized to suspend the effective date of the proposed changes for
 36 up to 90 days if it appears to the commission that the proposed terms and conditions are
 37 unconscionable or are unfair, deceptive, misleading, or confusing to consumers. If the

1 commission does not issue a final decision on the proposed terms and conditions of service
 2 within the 90 day suspension period, the proposed changes shall be deemed approved.

3 (k) Any consumer determined by the commission to be the victim of slamming shall be
 4 able to switch back to his or her desired marketer without any charge. No marketer
 5 responsible for slamming a consumer shall be entitled to any remuneration for services
 6 provided to that customer, and any refund owed to such a consumer by the marketer who
 7 switched the consumer without his or her consent shall be paid within 30 days of the date
 8 the commission determined the consumer was a victim of slamming. No marketer
 9 responsible for slamming a consumer who is determined to be a victim of slamming shall
 10 report to a credit reporting agency any moneys owed by such a consumer to such marketer;
 11 any marketer who violates the prohibition set out in this sentence shall be required by the
 12 commission to pay such a consumer \$1,000.00 for each such prohibited report."

13 SECTION 17.

14 Said article is further amended by striking subsection (a) of Code Section 46-4-160.2,
 15 relating to correction of billing errors, and inserting in its place a new subsection to read as
 16 follows:

17 "(a) Whenever a marketer discovers or has called to its attention a billing error or other
 18 mistake reported to or acknowledged or admitted to by the marketer ~~and resulting,~~ the
 19 marketer shall have 30 days to correct the billing error from the date said error is reported
 20 to or acknowledged by the marketer. If the marketer does not correct the billing error, the
 21 burden of proof shall be on the marketer to show why the bill is correct. During the period
 22 the billing error is being disputed, the marketer shall neither impose a late fee or penalty
 23 on the disputed amount nor initiate an action to disconnect the customer's service or collect
 24 on the past due balance, if the disputed amount constitutes the total amount of the past due
 25 balance. In the event the billing error results in an overpayment by a retail customer of said
 26 marketer, such marketer shall be required automatically and immediately to provide:

- 27 (1) A credit of the amount of the overpayment to the account of the customer; or
 28 (2) A refund of the amount of the overpayment to the customer."

29 SECTION 18.

30 Said article is further amended by inserting new Code sections to be designated Code
 31 Sections 46-4-160.3 through 46-4-160.5 to read as follows:

32 "46-4-160.3.

33 In order to assist low-income residential consumers, the commission may establish a
 34 system by which each marketer's customers may make voluntary contributions to assist
 35 low-income residential consumers. Contributions received by a marketer shall be

1 deposited in the universal service fund to be used to assist low-income residential
2 consumers.

3 46-4-160.4.

4 (a) There is created the Natural Gas Consumer Education Advisory Board, whose duty it
5 shall be to advise and make recommendations to the director of the consumers' utility
6 counsel division of the Governor's Office of Consumer Affairs. The board shall consist
7 of five members who shall be appointed by the Governor and shall include at least one
8 representative for each of the following: marketers, natural gas consumers, and electing
9 distribution companies. There shall be one member appointed from each commission
10 electoral district. Board members shall serve at the pleasure of the Governor.

11 (b) The board shall elect its chairperson and shall convene upon the call of the
12 administrator at a time and place specified in writing by the administrator. Each member
13 of the board shall serve without pay but shall receive standard state per diem for expenses
14 and receive standard travel allowance while attending meetings and while in the discharge
15 of his or her responsibilities.

16 (c) The board shall assist the director in an advisory capacity only in carrying out the
17 duties and functions of such official concerning policy matters relating to the development
18 and implementation of state-wide education programs for natural gas consumers or
19 consumers of any other utility that may be deregulated in the future.

20 46-4-160.5.

21 (a) Any retail customer who is damaged by a marketer's violation of any provision of
22 Code Section 46-4-160, any duly promulgated rules or regulations issued under such Code
23 section, or any commission order shall be entitled to maintain a civil action and shall be
24 entitled to recover actual damages sustained by the retail customer, as well as incidental
25 damages, consequential damages, reasonable attorney's fees, and court costs.

26 (b) Any violation of Code Section 46-4-160 or any duly promulgated rules or regulations
27 issued under such Code section is declared to be a violation of Part 2 of Article 15 of
28 Chapter 1 of Title 10, the 'Fair Business Practices Act of 1975.' Any remedy available
29 under such Act shall be available to any retail customer and any action by the administrator
30 that such Act authorizes for a violation of such Act shall be authorized for violation of
31 Code Section 46-4-160 or any duly promulgated rules or regulations issued under such
32 Code section. This subsection shall not be construed to provide that other violations of this
33 article or rules promulgated under this article are not violations of such Act.

1 (c) The provisions of this Code section shall apply to violations of subsections (g) and (h)
 2 of Code Section 46-4-156, Code Sections 46-4-158.2, 46-4-160.1, and 46-4-160.2, and
 3 substantial violations of Code Section 46-4-158.3."

4 SECTION 19.

5 Said article is further amended by striking Code Section 46-4-161, relating to the universal
 6 service fund, and inserting in lieu thereof the following:

7 "46-4-161.

8 (a) The commission shall create for each electing distribution company a universal service
 9 fund for the purpose of:

10 (1) Assuring that gas is available for sale by marketers to firm retail customers within the
 11 territory certificated to each such marketer;

12 (2) Enabling the electing distribution company to expand its facilities and service in the
 13 public interest; and

14 (3) Assisting low-income ~~customers~~ residential consumers in times of emergency as
 15 determined by the commission, and consumers of the regulated provider of natural gas
 16 in accordance with Code Section 46-4-166.

17 ~~(4) Providing energy conservation assistance to low-income customers in a fair and~~
 18 ~~equitable manner as determined by the commission; provided, however, that not more~~
 19 ~~than 10 percent of the amount in the universal service fund shall be expended for such~~
 20 ~~purpose in any calendar year.~~

21 ~~(b)(1)~~ The fund shall be administered by the commission under rules to be promulgated
 22 by the commission in accordance with the provisions of this Code section. Prior to the
 23 beginning of each fiscal year of the electing distribution company, the commission shall
 24 determine the amount of the fund appropriate for such fiscal year, which amount shall not
 25 exceed \$25 million for that fiscal year. In making such determination, the commission shall
 26 consider the following:

27 ~~(A) The amount required to provide appropriate compensation to marketers with~~
 28 ~~respect to uncollectible accounts arising from commodity sales to firm retail customers;~~

29 ~~(B)(1)~~ (1) The amount required to provide sufficient contributions in aid of construction to
 30 permit the electing distribution company to extend and expand its facilities from time to
 31 time as the commission deems to be in the public interest; and

32 ~~(C)(2)~~ (2) The amount required to assist low-income ~~persons subject to price increases~~
 33 residential consumers in times of emergency as determined by the commission and
 34 consumers of the regulated provider of natural gas in accordance with Code Section
 35 46-4-166.

1 ~~(2) Notwithstanding any other provisions of this Code section, the commission shall,~~
 2 ~~pursuant to rules and regulations, administer and expend moneys in the fund primarily~~
 3 ~~for the purpose provided in subparagraph (C) of paragraph (1) of this subsection for the~~
 4 ~~24 months immediately succeeding April 27, 2001.~~

5 (c) The fund shall be created and maintained from time to time from the following sources:

6 (1) Rate refunds to the electing distribution company from its interstate pipeline
 7 suppliers;

8 (2) Any earnings allocable to ratepayers under performance based rates of the electing
 9 distribution company authorized by this article;

10 (3) A surcharge to the rates for firm distribution service of the electing distribution
 11 company authorized for such purpose by the commission from time to time; and

12 (4) Surcharges on customers receiving interruptible service over the electing distribution
 13 company's distribution system imposed by the commission in accordance with Code
 14 Section 46-4-154;

15 (5) Refunds of deposits required by marketers as a condition for service, if such refunds
 16 have not been delivered to or claimed by the consumer within two years;

17 (6) Funds deposited by marketers in accordance with Code Section 46-4-160.3; and

18 ~~(4)(7)~~ Any other payments to the fund provided by law.

19 (d) Any amounts remaining in such fund at the end of a fiscal year in excess of \$3 million
 20 shall be available for refund to retail customers in such manner as the commission shall
 21 deem equitable. The balance at fiscal year end, whether positive or negative, after such
 22 refund, if any, shall become the initial balance of the fund for the ensuing fiscal year and
 23 ~~shall be considered by the commission in making the determination required in subsection~~
 24 ~~(b) of this Code section.~~

25 (e) Moneys in the fund shall be deposited in a separate, interest-bearing escrow account
 26 maintained by the electing distribution company at any state or federally chartered bank,
 27 trust company, or savings and loan association located in this state. Upon application to the
 28 commission, the commission shall order the distribution of an appropriate portion of such
 29 moneys on a quarterly basis and in accordance with the provisions of this Code section.
 30 Interest earned on moneys in the fund shall accrue to the benefit of the fund.

31 ~~(f) In determining whether to grant the application of a marketer for a distribution from the~~
 32 ~~fund in whole or in part, the commission shall consider:~~

33 ~~(1) The expenditures reasonably required for commodity sales by a marketer within the~~
 34 ~~relevant territory based upon the cost of gas as established by published cost indexes, the~~
 35 ~~transportation charges of the interstate pipeline involved, and the rates for firm~~
 36 ~~distribution service of the electing distribution company. The commission shall also~~
 37 ~~consider the actual costs incurred to serve the customers and revenues available to the~~

1 ~~marketer from sales within the affected territory available to provide a fair return to the~~
 2 ~~marketer;~~

3 ~~(2) Whether the marketer pursued reasonable diligence in seeking to recover the~~
 4 ~~uncollectable accounts; and~~

5 ~~(3) The reduction to the total amount of the uncollectable accounts appropriate to assure~~
 6 ~~that marketers pursue reasonable diligence in their collection efforts.~~

7 (f) Distributions to the regulated provider shall be made in accordance with Code Section
 8 46-4-166.

9 (g)(1) In determining whether to grant the application of an electing distribution
 10 company for a distribution from the fund in whole or in part, the commission shall
 11 consider:

12 (A) The capital budget of the electing distribution company for the relevant fiscal year;

13 (B) The estimated total overall applicable cost of the proposed extension, including
 14 construction costs, financing costs, working capital requirements, and engineering and
 15 contracting fees, as well as all other costs that are necessary and reasonable;

16 (C) The projected initial service date of the new facilities, the estimated revenues to the
 17 electing distribution company during the first five fiscal years following the initial
 18 service date, and the estimated rate of return to the electing distribution company
 19 produced by such revenues during each such fiscal year;

20 (D) The amount of the contribution in aid of construction required for the revenues
 21 from the proposed new facility to produce a just and reasonable return to the electing
 22 distribution company; and

23 (E) Whether the proposed new facility is in the public interest.

24 (2) In no event shall the distribution to an electing distribution company from the fund
 25 for facilities and service expansion during any fiscal year exceed 5 percent of the capital
 26 budget of such company for such fiscal year.

27 (3) Any investment in new facilities financed from the universal service fund shall be
 28 accounted for as a contribution in aid of construction."

29 **SECTION 20.**

30 Said article is further amended by striking in its entirety Code Section 46-4-164, relating to
 31 construction of the article, and inserting in lieu thereof the following:

32 "46-4-164.

33 (a) Nothing in this article shall be deemed to apply or impose requirements not otherwise
 34 existing on gas distribution companies owned by any county, municipality, other political
 35 subdivision, or governmental authority of this state; nor are the provisions of this article
 36 intended to increase or decrease the authority and jurisdiction of the commission with

1 respect to the distribution, sale, or transportation of gas by any county, municipality, other
 2 political subdivision, or governmental authority of this state. Nothing in this article shall
 3 be construed to limit or otherwise affect the existing powers of municipal corporations or
 4 other political subdivisions of this state relating to the granting of franchises or the levying
 5 or imposition of taxes, fees, or charges.

6 (b) Notwithstanding any provision of law to the contrary, including, without limitation,
 7 Article 4 of Chapter 3 of this title, an electric membership corporation may make and
 8 maintain investments in, lend funds to, and guarantee the debts and obligations of an EMC
 9 gas affiliate in total not to exceed 15 percent of such electric membership corporation's net
 10 utility plant, excluding electric generation and transmission assets as defined by the Federal
 11 Energy Regulatory Commission Uniform System of Accounts in effect at the time of such
 12 investment, loan, or guarantee, provided that any such investments or loans shall not reflect
 13 rates which are generally available through the use of any tax exempt financing and may
 14 not be tied to any loans from or guaranteed by the federal or state government; and an EMC
 15 gas affiliate of an electric membership corporation organized and operating pursuant to
 16 Article 4 of Chapter 3 of this title may apply for and be granted a certificate of authority
 17 to provide any service as authorized under this article. The creation, capitalization, or
 18 provision of management for (1) an EMC gas affiliate engaged in activities subject to the
 19 provisions of this article and the rules and regulations established by the commission or (2)
 20 other persons providing customer services shall be deemed to be among the purposes of an
 21 electric membership corporation as specified in paragraphs (2) and (3) of Code Section
 22 46-3-200. Nothing in this article shall be deemed to increase or decrease the authority and
 23 jurisdiction of the commission with respect to such electric membership corporation except
 24 as to gas activities undertaken by the electric membership corporation or its EMC gas
 25 affiliate as authorized under this chapter.

26 (c) Nothing in this article shall be construed to allow or authorize an electing distribution
 27 company, a certificated marketer, or a regulated provider of natural gas to engage in the
 28 production, transportation, marketing, or distribution of liquefied petroleum gas; provided,
 29 however, that nothing in this article shall be construed to prohibit an electing distribution
 30 company from using liquefied petroleum gas to provide for system balancing and peaking
 31 services for its distribution system."

32 SECTION 21.

33 Said article is further amended by inserting a new Code section to be designated Code
 34 Section 46-4-166 to read as follows:

1 "46-4-166.

2 (a) By July 1, 2002, the commission shall select a regulated provider of natural gas to
3 serve:

4 (1) Group 1, low-income residential consumers; and

5 (2) Group 2, firm natural gas consumers:

6 (A) Who have been unable to obtain or maintain natural gas commodity service; or

7 (B) Whose utility payment history was cited by the regulated provider as reason for
8 transfer from Group 1 to Group 2.

9 (b) The selection shall be made through a competitive request for proposal process.

10 Certificated marketers shall be eligible to submit proposals. Selection criteria for the
11 regulated provider shall include, but not be limited to, the following:

12 (1) Financial viability, as defined in Code Section 46-4-153;

13 (2) Technical expertise, as defined in Code Section 46-4-153;

14 (3) The amount of the proposed deposit requirements, proposed price structure,
15 proposed customer charge, and cost recovery;

16 (4) The terms and conditions proposed for transfers of consumers from Group 1 to Group
17 2 and from Group 2 to Group 1; and

18 (5) The terms and conditions proposed for termination of service for Group 1 consumers
19 and Group 2 consumers.

20 (c) If no acceptable proposals are filed with the commission to become the regulated
21 provider of natural gas, the commission shall designate the electing distribution company
22 or any other gas or electric utility holding a certificate of public convenience and necessity
23 from the commission if it consents to serve as the regulated provider of natural gas. A
24 regulated provider who is not a certificated marketer shall not be authorized to provide
25 natural gas commodity service to any consumer not included in subsection (a) of this Code
26 section.

27 (d) The regulated provider selected by the commission shall establish two rates for
28 consumers served by the regulated provider of natural gas, which rates shall be approved
29 by the commission as a part of the selection process for the regulated provider:

30 (1) The rate for a low-income residential consumer shall be based upon actual
31 commodity cost, a reasonable rate of return, and an equitable share of the cost of the
32 transportation and distribution system over which such consumer receives distribution.

33 Any low-income residential consumer may transfer to the regulated provider without
34 being required to pay in full any debt to a marketer for previous service and without
35 termination in service due to failure to pay such a debt. The regulated provider shall have
36 access to the universal service fund to recover bad debt arising from service to
37 low-income residential consumers in accordance with rules and regulations promulgated

1 by the commission and designed to encourage efficient debt collection practices by the
2 regulated provider. The electing distribution company shall waive any customer charge
3 for each low-income residential consumer whose age exceeds 65 years. A low-income
4 residential consumer served by the regulated provider at this rate shall be subject to
5 transfer to Group 2 for failure to pay distribution or commodity charges under the terms
6 and conditions specified in the proposal and accepted by the commission; and

7 (2) The rate for Group 2 consumers shall be set to incorporate risks associated with these
8 customers. The regulated provider shall be authorized to terminate service to a Group 2
9 consumer for failure to pay for commodity or distribution service. The regulated provider
10 shall not have access to the universal service fund to recover bad debt arising from
11 service to such consumers. A Group 2 consumer shall be eligible to transfer to Group 1
12 if such a consumer is eligible by income for Group 1 and meets criteria specified in the
13 proposal and accepted by the commission.

14 (e) The commission is authorized to promulgate rules and regulations to implement this
15 Code section.

16 (f) The commission shall annually review the performance of the regulated provider. The
17 commission shall utilize the process set forth in subsections (a) and (b) of this Code section
18 to select a regulated provider of natural gas every two years. If the commission determines,
19 in its discretion, that such an action is in the public interest, the commission may extend
20 the service of a regulated provider for a third year, or may terminate the service of a
21 regulated provider after one year."

22 **SECTION 22.**

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

25 **SECTION 23.**

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