

House Bill 889

By: Representatives Harrell of the 54th, Snow of the 1st, Henson of the 55th, Mobley of the 58th, Mosby of the 59th, Post 3, and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 5 of Chapter 4 of Title 46 of the Official Code of Georgia Annotated, the
2 "Natural Gas Competition and Deregulation Act," so as to change certain provisions relating
3 to the regulated provider; to provide for a third group of consumers eligible for commodity
4 service from the regulated provider; to provide for rates for such Group 3; to provide for
5 related matters; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Article 5 of Chapter 4 of Title 46 of the Official Code of Georgia Annotated, the "Natural
9 Gas Competition and Deregulation Act," is amended in Code Section 46-4-166, relating to
10 selection of a regulated provider to serve certain customers, by striking subsections (a) and
11 (d) and inserting in lieu thereof the following:

12 "(a) ~~By July 1, 2002, the~~ The commission shall select a regulated provider of natural gas
13 to serve:

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

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

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

17 (B) Whose utility payment history was cited by the regulated provider as reason for
18 transfer from Group 1 to Group 2; and

19 (3) Group 3, firm natural gas customers:

20 (A) Who are not Group 1 or Group 2 customers; and

21 (B) Who elect to receive natural gas commodity service from the regulated provider in
22 accordance with this Code section."

23 "(d)(1) Rates for consumers served by the regulated provider shall be established as
24 provided in this subsection.

25 (2) The regulated provider selected by the commission shall establish ~~two~~ rates for
26 Group 1 and Group 2 consumers served by the regulated provider of natural gas, which

1 rates shall be approved by the commission as a part of the selection process for the
2 regulated provider:

3 ~~(1)~~ (A) The rate for a low-income residential consumer shall be based upon actual
4 commodity cost, a reasonable rate of return, and an equitable share of the cost of the
5 transportation and distribution system over which such consumer receives distribution.
6 Any low-income residential consumer may transfer to the regulated provider without
7 being required to pay in full any debt to a marketer for previous service and without
8 termination in service due to failure to pay such a debt. The regulated provider shall
9 have access to the universal service fund to recover bad debt arising from service to
10 low-income residential consumers in accordance with rules and regulations
11 promulgated by the commission and designed to encourage efficient debt collection
12 practices by the regulated provider. The electing distribution company shall waive any
13 customer charge for each low-income residential consumer whose age exceeds 65
14 years. A low-income residential consumer served by the regulated provider at this rate
15 shall be subject to transfer to Group 2 for failure to pay distribution or commodity
16 charges under the terms and conditions specified in the proposal and accepted by the
17 commission; and

18 ~~(2)~~ (B) The rate for Group 2 consumers shall be set to incorporate risks associated with
19 these customers. The regulated provider shall be authorized to terminate service to a
20 Group 2 consumer for failure to pay for commodity or distribution service. The
21 regulated provider shall not have access to the universal service fund to recover bad
22 debt arising from service to such consumers. A Group 2 consumer shall be eligible to
23 transfer to Group 1 if such a consumer is eligible by income for Group 1 and meets
24 criteria specified in the proposal and accepted by the commission.

25 (3) The rate for Group 3 consumers shall be a just and reasonable rate set by the
26 commission in accordance with the provisions of Code Sections 46-2-23, 46-2-24, and
27 46-2-25."

28 SECTION 2.

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