

Senate Bill 418

By: Senators Thomas of the 2nd, Brown of the 26th, Fort of the 39th, Miles of the 43rd,
Butler of the 55th 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 prohibit disconnection of natural
3 gas from residences of certain persons during the winter heating season; to revise legislative
4 findings and intent; to revise definitions; to provide for expedited reconnection of natural gas
5 for certain persons; to regulate the imposition of reconnect fees and deposits relating to
6 natural gas; to provide for enforcement of the limitation on deposits relating to natural gas
7 for residential consumers; to provide for an effective date; to repeal conflicting laws; and for
8 other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

10 style="text-align:center">**SECTION 1.**

11 Article 5 of Chapter 4 of Title 46 of the Official Code of Georgia Annotated, the "Natural
12 Gas Competition and Deregulation Act," is amended by striking Code Section 46-4-151,
13 relating to legislative findings and intent and the consumers' bill of rights, and inserting in
14 lieu thereof the following:

15 "46-4-151.

16 (a) The General Assembly finds:

17 (1) It is in the public interest to establish a new regulatory model for the natural gas
18 industry in Georgia to reflect the transition to a reliance on market based competition as
19 the best mechanism for the selection and provision of natural gas services at the most
20 efficient pricing;

21 (2) In order to ensure the implementation of this new reliance on market based
22 competition, any regulatory impediments, whether statutory or administrative, to
23 competition for natural gas services must be removed in those areas of the natural gas
24 industry where competition actually exists;

25 (3) All consumers deserve to receive natural gas service on reasonable terms and at
26 reasonable prices; ~~and~~

1 (4) That loss of heating capacity during the winter heating season is a circumstance that
 2 bears implications for public health, and that it is in the public interest to ensure a
 3 continuing supply of natural gas for residential heating purposes during the winter
 4 heating season for low-income residential consumers, who are particularly vulnerable to
 5 disconnection of natural gas, and for other residents whose health may be jeopardized
 6 by loss of heating capacity during the winter heating season, including elderly persons,
 7 disabled persons, and young children; and

8 (5) That protecting natural gas consumers in this new reliance on market based
 9 competition is the most important factor to consider in any decisions to be made in
 10 accordance with this article.

11 (b) It is the intent of this article to:

12 (1) Promote competition in the natural gas industry;

13 (2) Protect the consumer during and after the transition to a competitive natural gas
 14 market;

15 (3) Maintain and encourage safe and reliable natural gas service;

16 (4) Deregulate those components of the natural gas industry subject to actual
 17 competition;

18 (5) Continue to regulate those natural gas services subject to monopoly power;

19 (6) Promote an orderly and expeditious transition of the natural gas industry toward fully
 20 developed competition;

21 (7) Provide for rate-making methods which the General Assembly finds appropriate for
 22 the provision of natural gas services, including without limitation the use of straight fixed
 23 variable rate design, the recovery of certain stranded costs, and the use of alternative
 24 forms of rate regulation;

25 (8) Allow gas companies the opportunity to compete effectively in a competitive
 26 marketplace;

27 (9) Protect low-income residential consumers and other residential consumers that are
 28 especially vulnerable to harm from loss of heating capacity during the winter heating
 29 season, including elderly persons, disabled persons, and young children, from
 30 disconnection of their residential natural gas service during the winter heating season;

31 (10) Provide a bill of rights for consumers as follows:

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

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

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

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

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

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

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

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

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

19 ~~(10)~~(11) Provide that, in the event of any conflict between paragraph ~~(9)~~(10) of this
20 subsection and any other paragraph of this subsection, the provisions of paragraph ~~(9)~~
21 (10) shall override such other paragraph or paragraphs."

22 SECTION 2.

23 Said article is further amended in Code Section 46-4-152, relating to definitions relative to
24 such article, by inserting new subsections to read as follows:

25 "(8.1) 'Disability' means, with respect to a natural person, a physical or mental
26 impairment which substantially limits one or more of such person's major life activities.

27 (8.2) 'Disabled person' means a natural person who is chronically ill or who suffers from
28 a disability.

29 "(9.1) 'Elderly person' means a natural person who is 65 years of age or older."

30 SECTION 3.

31 Said Code Section 46-4-152, relating to definitions relative to such article, is further
32 amended by striking subsection (17) and inserting in lieu thereof the following:

33 "(17) 'Winter heating season' means the calendar days from ~~October 1~~ November 15 of
34 one year through March ~~31~~ 15, inclusive, of the following year."

SECTION 4.

Said article is further amended by inserting new Code sections to be designated Code Sections 46-4-167 and 46-4-168 to read as follows:

"46-4-167.

(a) The provisions of this Code section shall apply to each residential consumer that:

(1) Is a low-income residential consumer, as defined in Code Section 46-4-152;

(2) Includes within the household one or more elderly persons, as defined in Code Section 46-4-152;

(3) Includes within the household one or more disabled persons, as defined in Code Section 46-4-152; or

(4) Includes within the household one or more children six years of age or younger.

(b) During the winter heating season, no consumer that meets one or more of the criteria of subsection (a) of this Code section shall be subject to a disconnection of natural gas from such consumer's residence. The commission shall publicize the provisions of this Code section, immediately upon its effective date and annually during the winter heating season, and invite residents who meet one or more of the criteria of subsection (a) and who have been disconnected or are being threatened with disconnection to notify the commission. If such a consumer has been disconnected during any winter heating season after the effective date of this Code section or during the part of the winter heating season that preceded the effective date of this Act, it shall be the duty of the commission, the marketer or regulated provider that ordered the disconnection, and the electing distribution company to provide for reconnection as soon as possible. Failure to reconnect such a consumer within two business days following notice that the disconnected residential consumer meets one or more of the criteria of subsection (a) of this Code section shall subject the marketer, regulated provider, or electing distribution company to fines as determined by the commission.

(c) A consumer that meets one or more of the criteria of subsection (a) of this Code section shall not be required to pay a reconnect fee or deposit for natural gas service during the winter heating season. Such a consumer may be required by a marketer or regulated provider to pay a reconnect fee or deposit only in installments not to exceed \$50.00 monthly and only after or before the winter heating season.

46-4-168.

Upon notification from a residential consumer that a marketer or regulated provider has required or is requiring a residential consumer to pay a deposit exceeding \$150.00, the commission shall order the marketer or regulated provider to refund the amount exceeding \$150.00 to such a consumer or to cease such demand for a deposit exceeding \$150.00. The

1 commission may impose the penalties set out in Code Section 46-2-91 for willful violations
2 of the limitation on deposit requirements."

3 **SECTION 5.**

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

6 **SECTION 6.**

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