

Senate Bill 108

By: Senators Shafer of the 48th, Seabaugh of the 28th, Unterman of the 45th, Henson of the 41st and Butler of the 55th

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,  
2 relating to natural gas competition and deregulation, so as to change certain provisions  
3 relating to the universal service fund; to provide for the creation and maintenance of the fund  
4 from the proceeds of the sale or lease of certain facilities; to provide for commission  
5 approval of certain leases and sales; to provide a short title; to provide for related matters;  
6 to provide for an effective date; to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 This Act shall be known and may be cited as the "Energy Independence and Rate Payer  
10 Protection Act."

11 **SECTION 2.**

12 Article 5 of Chapter 4 of Title 46 of the Official Code of Georgia Annotated, relating to  
13 natural gas competition and deregulation, is amended by revising subsection (c) of Code  
14 Section 46-4-161, relating to universal service fund, as follows:

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

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

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

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

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

- 26 (5) Refunds of deposits required by marketers as a condition for service, if such refunds  
27 have not been delivered to or claimed by the consumer within two years;
- 28 (6) Funds deposited by marketers in accordance with Code Section 46-4-160.3; and  
29 (7) The proceeds from the sale or lease of facilities financed from the universal service  
30 fund; and
- 31 ~~(7)~~(8) Any other payments to the fund provided by law."

32 **SECTION 3.**

33 Said article is further amended by adding a new subsection to Code Section 46-4-161,  
34 relating to universal service fund, to read as follows:

35 "(h) In no event shall an electing distribution company, who receives a distribution from  
36 the fund, sell or lease any facilities to an affiliate for less than the higher of the net book  
37 value or fair market value of such facility without approval by the commission."

38 **SECTION 4.**

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

41 **SECTION 5.**

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