

House Bill 451

By: Representative Parsons of the 42nd

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 a short title; to provide for the creation and
4 maintenance of the fund from the proceeds of the sale, lease, or operation of certain facilities;
5 to provide for certain payments to the fund; to provide for commission approval of certain
6 sales and leases; to provide for related matters; to provide for an effective date; to repeal
7 conflicting laws; and for other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

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

12 **SECTION 2.**

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

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

- 18 (1) Rate refunds to the electing distribution company from its interstate pipeline
19 suppliers;
- 20 (2) Any earnings allocable to ratepayers under performance based rates of the electing
21 distribution company authorized by this article;
- 22 (3) A surcharge to the rates for firm distribution service of the electing distribution
23 company authorized for such purpose by the commission from time to time;

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

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

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

30 (7) The proceeds from the sale, lease, or operation of facilities financed from the
 31 universal service fund, provided that there has been no determination by the commission
 32 that such proceeds should be used to offset the electing distribution company's revenue
 33 requirement or to write down the electing distribution company's rate base; and

34 (7)(8) Any other payments to the fund provided by law or voluntarily made."

35 **SECTION 3.**

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

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

41 **SECTION 4.**

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

44 **SECTION 5.**

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