

House Resolution 2015

By: Representatives Kidd of the 141st, Sims of the 169th, Powell of the 29th, Rynders of the 152nd, Oliver of the 83rd, and others

A RESOLUTION

1 Creating the House Public Utility Unit Closure, Contracts, and Rates Study Committee; and
2 for other purposes.

3 WHEREAS, Georgia Power is scheduled to close two coal-fired units at Plant Branch and
4 has closed an oil unit at Plant Mitchell in order to comply with federal environmental rules;
5 and

6 WHEREAS, under current law, utility companies can recoup costs of materials and supplies
7 that cannot be used after a plant's unit is shut down; and

8 WHEREAS, the Georgia Public Service Commission decides how long a public utility
9 company can recoup costs from customers as part of basic electricity rates; and

10 WHEREAS, Georgia Power has already incorporated the expenses of closing two plants in
11 2013 into customers' monthly electricity bill; and

12 WHEREAS, customer's bills will increase an average of 1.7 percent, or \$2.46 a month, in
13 April 2012 as part of Georgia Power's three-tiered increase which was approved by the
14 Public Service Commission in 2010; and

15 WHEREAS, the Public Service Commission approved three long-term contracts for Georgia
16 Power to acquire natural gas from other companies in 2015; and

17 WHEREAS, under state law, utility companies are allowed to collect an additional amount
18 for buying power through long-term contracts; and

19 WHEREAS, starting in 2019, Georgia Power will be allowed to collect an additional fee of
20 \$2.30 per kilowatt each year in order to offset the cost of buying more fuel; and

21 WHEREAS, study is needed to determine whether utility unit closures are necessary, the
22 costs of such closures, and what costs are being passed on to Georgia consumers; and

23 WHEREAS, further study should be done to determine how much natural gas is needed for
24 power stability, whether there are more cost-effective methods available for acquiring natural
25 gas than through purchase from other companies, and whether it is appropriate to pass
26 additional costs on to the consumer through rate increases.

27 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES that
28 there is created the House Public Utility Unit Closure, Contracts, and Rates Study Committee
29 to be composed of five members of the House of Representatives to be appointed by the
30 Speaker of the House of Representatives. The Speaker shall designate one of the members
31 to serve as chairperson of the committee. The chairperson shall call all meetings of the
32 committee.

33 BE IT FURTHER RESOLVED that the committee shall undertake a study of the conditions,
34 needs, issues, and problems mentioned above or related thereto and recommend any actions
35 or legislation which the committee deems necessary or appropriate. The committee may
36 conduct such meetings at such places and at such times as it may deem necessary or
37 convenient to enable it to exercise fully and effectively its powers, perform its duties, and
38 accomplish the objectives and purposes of this resolution. The members of the committee
39 shall receive the allowances authorized for legislative members of interim legislative
40 committees but shall receive the same for not more than five days unless additional days are
41 authorized by the Speaker of the House of Representatives. The funds necessary to carry out
42 the provisions of this resolution shall come from the funds appropriated to the House of
43 Representatives. In the event that the committee makes a report of its findings and
44 recommendations for proposed legislation, such report shall be made no later than December
45 31, 2012. The committee shall stand abolished on December 31, 2012.