

## House Resolution 1831

By: Representatives Kirby of the 114<sup>th</sup>, Caldwell of the 20<sup>th</sup>, Turner of the 21<sup>st</sup>, and Kelley of the 16<sup>th</sup>

## A RESOLUTION

1 Creating the House Study Committee on Municipal Gas Systems in Georgia; and for other  
2 purposes.

3 WHEREAS, in April, 1997, the Georgia General Assembly enacted Article 4 of Chapter 4  
4 of Title 46, the "Natural Gas Competition and Deregulation Act," paving the way for  
5 investor-owned utilities to elect to "unbundle" their gas supply service from the distribution  
6 function and in November, 1997, one of the two investor-owned utilities in the state, Atlanta  
7 Gas Light Company (AGL), filed its plan to become subject to the Deregulation Act; and

8 WHEREAS, in October, 1998, marketers began offering natural gas to AGL customers at  
9 decontrolled prices and on October 1, 1999, AGL officially exited the gas supply and  
10 customer service functions and all 1.5 million gas customers connected to their system then  
11 began being served by gas marketers; and

12 WHEREAS, municipally-owned gas systems were specifically exempted from the Natural  
13 Gas Competition and Deregulation Act; and

14 WHEREAS, at the time municipal gas systems did not see the need for deregulation of their  
15 services and they had concerns as to whether marketers would aggressively compete for their  
16 customers in many markets due to the number of customers and the natural gas volume  
17 consumed by such customers; and

18 WHEREAS, customers in areas served by gas marketers have reported that the opportunity  
19 to shop in a competitive market has oftentimes resulted in lower gas prices since the natural  
20 gas marketers purchase the commodity wholesale and sell it directly to them; and

21 WHEREAS, more than 15 years have passed since the passage of the Natural Gas  
22 Competition and Deregulation Act and it is time to study whether continuing to exempt  
23 municipal gas systems from deregulation makes sense in the current economic climate under

24 the present competitive market in light of the benefits that can be seen by customers currently  
25 serviced by gas marketers.

26 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES that  
27 there is created the House Study Committee on Municipal Gas Systems in Georgia to be  
28 composed of five members of the House of Representatives to be appointed by the Speaker  
29 of the House of Representatives. The Speaker of the House of Representatives shall  
30 designate a member of the committee to serve as chairperson. The chairperson shall call all  
31 meetings of the committee.

32 BE IT FURTHER RESOLVED that the committee shall undertake a comprehensive study  
33 and review of the conditions, needs, issues, and problems mentioned above or related thereto  
34 and recommend any action or legislation which the committee deems necessary or  
35 appropriate. The committee may conduct its meetings at such places and at such times as it  
36 may deem necessary or convenient to enable it to exercise fully and effectively its powers,  
37 perform its duties, and accomplish the objectives and purposes of this resolution. The  
38 legislative members of the committee shall receive the allowances authorized for legislative  
39 members of interim legislative committees from the funds appropriated to the House of  
40 Representatives but shall receive the same for not more than five days unless additional days  
41 are authorized. The committee is directed to make a report of its findings and  
42 recommendations, with suggestions for proposed legislation, if any, not later than  
43 December 1, 2014. The committee shall stand abolished on December 1, 2014.