

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

AS PASSED

**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 change certain provisions relating to the purpose
4 of the fund; to provide for the creation and maintenance of the fund from the proceeds of the
5 sale or lease of certain facilities; to provide for commission approval of certain leases and
6 sales; to provide a short title; to provide for related matters; to provide for an effective date;
7 to repeal 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 (a) of Code
15 Section 46-4-161, relating to universal service fund, as follows:

16 "(a) The commission shall create for each electing distribution company a universal service
17 fund for the purpose of:

18 (1) Assuring that gas is available for sale by marketers to firm retail customers within the
19 territory certificated to each such marketer;

20 (2) Enabling the electing distribution company to expand its facilities and service in the
21 public interest. Such expansion of facilities may include a natural gas fueling
22 infrastructure for motor vehicles at the discretion of the commission; and

23 (3) Assisting low-income residential consumers in times of emergency as determined by
24 the commission, and consumers of the regulated provider of natural gas in accordance
25 with Code Section 46-4-166."

SECTION 3.

Said article is further amended by revising subsection (c) of Code Section 46-4-161, relating to universal service fund, as follows:

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

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

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

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

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

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

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

(7) The proceeds from the sale or lease of facilities financed from the universal service fund; and

~~(7)~~(8) Any other payments to the fund as provided by law or by order of the commission."

SECTION 4.

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

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

SECTION 5.

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

SECTION 6.

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