

House Bill 1027

By: Representatives Anderson of the 10th, Yearata of the 152nd, Williamson of the 112th, Williams of the 148th, Gambill of the 15th, and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapters 1 and 30 of Title 36 of the Official Code of Georgia Annotated, relating
2 to general provisions applicable to counties only and general provisions applicable to
3 municipal corporations only, respectively, so as to authorize certain long-term contracts for
4 the sale of electric power; to provide for related matters; to repeal conflicting laws; and for
5 other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Chapter 1 of Title 36 of the Official Code of Georgia Annotated, relating to general
9 provisions applicable to counties only, is amended by revising Code Section 36-1-26, relating
10 to contracts for utility services and terms and conditions, as follows:

11 "36-1-26.

12 The governing authority of any county in this state may authorize the execution of one or
13 more contracts which specify the rates, fees, or other charges which will be charged and
14 collected by the county for electric, natural gas, or water utility services to be provided by
15 the county to one or more of its utility customers. Any such contract shall be subject to the
16 following conditions and limitations:

H. B. 1027

17 (1)(A) Except as provided in subparagraph (B) of this paragraph, no such contract shall
 18 be for a term in excess of ten years.

19 (B) No such contract for:

20 (i) Solar solar utility services; or for wind

21 (ii) Wind utility services; or

22 (iii) The sale of electric power which is validated by a superior court pursuant to
 23 Code Section 46-3-131 as to its reasonableness and enforceability

24 shall be for a term in excess of 20 years;

25 (2) Any such contract which is for a term in excess of two years shall include
 26 commercially reasonable provisions under which the rates, fees, or other charges shall be
 27 adjusted with respect to inflationary or deflationary factors affecting the provision of the
 28 utility service in question; and

29 (3) Any such contract shall include commercially reasonable provisions relieving the
 30 county from its obligations under the contract in the event that the county's ability to
 31 comply with the contract is impaired by war, natural disaster, catastrophe, or any other
 32 emergency creating conditions under which the county's compliance with the contract
 33 would become impossible or create a substantial financial burden upon the county or its
 34 taxpayers."

35 **SECTION 2.**

36 Chapter 30 of Title 36 of the Official Code of Georgia Annotated, relating to general
 37 provisions applicable to municipal corporations only, is amended in Code Section 36-30-3,
 38 relating to ordinances of a council not to bind succeeding councils and exceptions, by
 39 revising subsection (d) as follows:

40 "(d) The governing authority of any municipal corporation in this state may authorize the
 41 execution of one or more contracts which specify the rates, fees, or other charges which
 42 will be charged and collected by the municipal corporation for electric, natural gas, or

43 water utility services to be provided by the municipal corporation to one or more of its
44 utility customers. Nothing in this subsection, however, shall be construed to grant to any
45 municipal governing authority the right or power to specify the rates, fees, or charges to
46 be collected for electric, natural gas, or water utility services provided by a local authority,
47 as defined in subsection (a) of Code Section 36-80-17, where the right or power to specify
48 such rates, fees, or charges is otherwise vested by local constitutional amendment, general
49 statute, or local law in the governing body of such local authority. Any such contract shall
50 be subject to the following conditions and limitations:

51 (1)(A) Except as provided in subparagraph (B) of this paragraph, no such contract shall
52 be for a term in excess of ten years.

53 (B) No such contract for:

54 (i) Solar solar utility services; or for wind

55 (ii) Wind utility services; or

56 (iii) The sale of electric power which is validated by a superior court pursuant to
57 Code Section 46-3-131 as to its reasonableness and enforceability

58 shall be for a term in excess of 20 years;

59 (2) Any such contract which is for a term in excess of two years shall include
60 commercially reasonable provisions under which the rates, fees, or other charges shall be
61 adjusted with respect to inflationary or deflationary factors affecting the provision of the
62 utility service in question; and

63 (3) Any such contract shall include commercially reasonable provisions relieving the
64 municipal corporation from its obligations under the contract in the event that the
65 municipal corporation's ability to comply with the contract is impaired by war, natural
66 disaster, catastrophe, or any other emergency creating conditions under which the
67 municipal corporation's compliance with the contract would become impossible or create
68 a substantial financial burden upon the municipal corporation or its taxpayers."

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SECTION 3.

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