## Hall of the House of Representatives

84th General Assembly - Regular Session, 2003 Amendment Form

## Subtitle of House Bill No. 1114

"AN ACT TO REPEAL CHAPTER 19 OF TITLE 23 AND TO REFORM ELECTRIC UTILITY REGULATION."

## Amendment No. 1 to House Bill No. 1114.

Amend House Bill No. 1114 as originally introduced:

Add Representative Lendall as an additional sponsor

AND

Page 1, delete line 35 and substitute the following:

"SECTION 1. Arkansas Code § 23-2-304(a), listing power of the Public Service Commission, is amended to add additional subdivisions to read as follows:

(9) Assure that retail customers should have access to safe, reliable, and affordable electricity, including protection against service disconnections in extreme weather or in cases of medical emergency or nonpayment for unrelated services; and

(10) Assure that electric utility bills, usage, and payment records should be treated as confidential, unless the retail customer consents to their release or the information is provided only in the aggregate. Notwithstanding this provision, release of such information may be made pursuant to subpoena, court order, or other applicable statute, rule or regulation.

SECTION 2. Arkansas Code § 23-3-102 is amended to read as follows:"

AND

Appropriately renumber the subsequent sections of the bill

AND



Page 2, line 30, insert the following:

"(e) All transactions among or between a regulated electric public utility and any of its divisions, components or affiliates that are not regulated by the commission shall be subject to such rules as may be promulgated by the commission so that:

(1) All such transactions that involve regulated services shall be subject to the rates, terms and conditions specified in tariffs approved by the commission; and

(2) An electric utility shall not use any revenue from any regulated asset, operation or service to subsidize the provision of any unregulated electric service or any other unregulated activity."

AND

Page 3, delete line 17 and substitute the following:

"(3) In no event shall costs that are allowable in the utility's regulated cost of service and rates be included as transition costs, and the electric utility shall be required to demonstrate that its requested transition cost recovery does not contain amounts which are otherwise reflected in current rate levels.

(4) Additionally, no electric utility shall recover transition"

AND

Page 4, delete line 21 and substitute the following: "commission review of the processes and actions by which the utilities:"

AND

Page 4, delete lines 26 through 36 and substitute the following:

"(b) With regard to electric cooperatives formed under the Electric Cooperative Corporation Act, to the extent that an electric distribution cooperative purchases electricity from an electric generation and transmission cooperative pursuant to a wholesale power contract, the authority granted to the Arkansas Public Service Commission by subdivisions (a)(1) and (2) of this section shall not extend to such electric distribution cooperative to the extent of such purchases, but shall only extend to such electric generation and transmission cooperative.

(c) Subsection (a) does not apply to any transaction involving the acquisition of generation assets, which is closed and finalized prior to the adoption of the rules and regulations authorized in subsection (a), or within one (1) year after the effective date of this act of 2003, whichever comes later, and which is the subject of an order or ruling of any federal or state regulatory agency issued on or before January 1, 2003.

(d) Reasonable and prudent costs incurred in compliance with rules and regulations adopted pursuant to subsection (a) and in compliance with the provisions of §§ 23-3-201 through 23-3-206 and 23-18-501 through 23-18-529 shall be eligible for recovery in the rates of any electric utility making such an acquisition, subject to final approval by the commission. When the

AND

utility establishes that the costs were incurred in compliance with rules and regulations adopted pursuant to subsection (a), a rebut table presumption is established that the costs were reasonable and prudent and incurred in the public interest. Nothing in this subsection shall be deemed to supercede the provisions of § 23-4-103."

AND

Page 5, delete line 6 and substitute the following: "reasonable costs. Nothing in this subsection shall be deemed to supercede the provisions of § 23-4-103."

The Amendment was read \_ By: Representative Napper LDH/JMB - 012720031441 JMB079

**Chief Clerk**