

1 **State of Arkansas**
2 **78th General Assembly**
3 **Regular Session, 1991**
4 **By: Representative Foster**

H.C.R.

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7 **HOUSE CONCURRENT RESOLUTION**

8 URGING THE ARKANSAS PUBLIC SERVICE COMMISSION TO CAREFULLY
9 SCRUTINIZE ANY PROPOSED UTILITY RATE STRUCTURE WHICH WILL
10 RESULT IN SHIFTING UTILITY COSTS FROM INDUSTRIAL USERS TO
11 RESIDENTIAL USERS.

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13 WHEREAS, recent articles in the press indicate that there is a move by
14 some public utility companies to shift utility costs from industrial users to
15 residential users; and

16 WHEREAS, while some utilities maintain that commercial users of
17 electricity and natural gas are bearing more than a fair share of utility
18 costs and are thereby subsidizing residential users, other utility spokesmen
19 insist that cost of service studies show that industrial users are much higher
20 risks for utility companies than residential users and that it is only fair
21 that the industrial users bear the cost of the high risks and the higher cost
22 of service; and

23 WHEREAS, any increase in residential utility rates places a serious
24 hardship on low and middle income families while industrial users have the
25 ability to pass on utility costs and to thereby spread the burden of such
26 costs in such manner as to minimize the additional burden; and

27 WHEREAS, the Arkansas Public Service Commission should carefully
28 scrutinize any proposal by a public utility which will result in shifting
29 greater utility costs to residential users, and all interested parties should
30 be heard by the Commission before it takes action on any such proposal,

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32 NOW THEREFORE,

33 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE SEVENTY-EIGHTH GENERAL
34 ASSEMBLY OF THE STATE OF ARKANSAS, THE SENATE CONCURRING THEREIN:

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1 The General Assembly hereby urges the Arkansas Public Service Commission
2 to carefully scrutinize any rate schedule or proposal filed by a public
3 utility which will result in shifting more utility costs from industrial users
4 to residential users, and to reject any such proposal unless it is supported
5 by clear and convincing evidence.

6 BE IT FURTHER RESOLVED that when any such rate schedule or proposal is
7 filed with the Public Service Commission, the Commission is hereby requested
8 to advise the Joint Interim Committee on Aging and Legislative Affairs of the
9 Arkansas General Assembly of the time and place of hearing on such schedule or
10 proposal and give the Committee or a representative of the Committee an
11 opportunity to attend the hearing and to present evidence opposing the
12 approval of such rate schedule or proposal.

13 BE IT FURTHER RESOLVED that on adoption of this resolution, a copy
14 hereof shall be transmitted to the Chairman of the Arkansas Public Service
15 Commission.

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