

1 State of Arkansas  
2 81st General Assembly  
3 Regular Session, 1997

As Engrossed: H3/17/97

H.R. 1026

4 By: Representative Sheppard

5

6

7

## HOUSE RESOLUTION

8 *REQUESTING THE HOUSE AND SENATE INTERIM COMMITTEES ON*  
9 *INSURANCE AND COMMERCE TO CONDUCT A STUDY OF THE IMPACT OF*  
10 *COMPETITION IN THE ELECTRIC UTILITY INDUSTRY ON THE*  
11 *CITIZENS OF ARKANSAS, THE ELECTRIC UTILITY INDUSTRY AND*  
12 *THE REGULATORY AUTHORITY OF THE ARKANSAS PUBLIC SERVICE*  
13 *COMMISSION.*

14

### Subtitle

15 *REQUESTING THE HOUSE AND SENATE INTERIM*  
16 *COMMITTEES ON INSURANCE AND COMMERCE TO*  
17 *CONDUCT A STUDY OF THE IMPACT OF*  
18 *COMPETITION IN THE ELECTRIC UTILITY*  
19 *INDUSTRY.*

20

21

22 *WHEREAS, many state legislators and regulatory authorities are assessing*  
23 *whether a competitive retail generation market and the choice of generation*  
24 *suppliers to consumers can achieve economic benefits beyond the current*  
25 *regulated structure; and*

26 *WHEREAS, certain legislation is pending in the Congress of the United*  
27 *States that would, inter alia, require states to allow retail competition in*  
28 *the electric utility industry at some time in the future; and*

29 *WHEREAS, the citizens of Arkansas are entitled to continue to enjoy the*  
30 *high level of reliability and universally available service that currently is*  
31 *delivered by the regulated industry; and*

32 *WHEREAS, any changes in the electric utility industry structure should*  
33 *provide benefits to all current utility customers and not simply shift costs*  
34 *from one class of customers to another class of customers or to utility*  
35 *stockholders; and*

36 *WHEREAS, a transition to a competitive retail generation market must be*

1 made in an orderly fashion to ensure that service reliability and economic  
2 efficiency for customers is maintained; and

3 WHEREAS, any new competitive electric market must be fair to all  
4 suppliers and not hinder one supplier with obligations not shared by its  
5 competitors; and

6 WHEREAS, the costs to transition to a competitive market must be  
7 recoverable in a timely manner from all customers causing those costs to be  
8 incurred; and

9 WHEREAS, Entergy Arkansas, Inc. has filed an application with the  
10 Arkansas Public Service Commission requesting approval of certain rate  
11 proposals in Docket No. 96-360-U designed to facilitate a transition to  
12 competition; and

13 WHEREAS, other state regulators are considering similar proposals by  
14 individual utilities in their states; and

15 WHEREAS, it is not the intent of the General Assembly in adopting this  
16 resolution to cause a delay in the consideration and disposition by the APSC  
17 of the proposals contained in APSC Docket No. 96-360-U.

18

19 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE EIGHTY-FIRST GENERAL  
20 ASSEMBLY OF THE STATE OF ARKANSAS:

21

22 THAT the House and Senate Interim Committees on Insurance and Commerce  
23 conduct a study, to begin on or after the Arkansas Public Service Commissions  
24 final order in Docket No. 96-360-U or December 1, 1997, whichever occurs  
25 first, with the cooperation of all agencies in the executive branch, to  
26 determine what statutory actions may be necessary and advisable to allow the  
27 citizens of Arkansas to have access to a competitive system of electric  
28 service and the appropriate time table for a transition to such system.

29

30 /s/Rep. Sheppard

31

32

33

34

35