

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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SENATE BILL 1202\*  
Second Edition Engrossed 6/24/92

Short Title: Utility System Ordinances.

(Public)

Sponsors: Senator Walker.

Referred to: Public Utilities.

June 4, 1992

1 A BILL TO BE ENTITLED  
2 AN ACT TO CLARIFY THE PUBLIC ENTERPRISE LAW WITH RESPECT TO  
3 THE ADOPTION AND ENFORCEMENT OF UTILITY SYSTEM  
4 ORDINANCES.

5 The General Assembly of North Carolina enacts:

6 Section 1. G.S. 160A-312 reads as rewritten:

7 "**§ 160A-312. Authority to operate public enterprises.**

8 (a) A city shall have authority to acquire, construct, establish, enlarge, improve,  
9 maintain, own, operate, and contract for the operation of any or all of the public  
10 enterprises as defined in this Article to furnish services to the city and its citizens.  
11 Subject to Part 2 of this Article, a city may acquire, construct, establish, enlarge,  
12 improve, maintain, own, and operate any public enterprise outside its corporate limits,  
13 within reasonable limitations, but in no case shall a city be held liable for damages to  
14 those outside the corporate limits for failure to furnish any public enterprise service.

15 (b) A city shall have full authority to protect and regulate any public enterprise  
16 system belonging to or operated by it by adequate and reasonable ~~rules and regulations.~~  
17 rules. The rules shall be adopted by ordinance, shall apply to the public enterprise  
18 system both within and outside the corporate limits of the city, and may be enforced  
19 with the remedies available under any provision of law.

20 (c) A city may operate that part of a gas system involving the purchase and/or  
21 lease of natural gas fields, natural gas reserves and natural gas supplies and the  
22 surveying, drilling or any other activities related to the exploration for natural gas, in a

1 partnership or joint venture arrangement with natural gas utilities and private  
2 enterprise.”

3 Sec. 2. G.S. 153A-275 reads as rewritten:

4 **"§ 153A-275. Authority to operate public enterprises.**

5 (a) A county may acquire, lease as lessor or lessee, construct, establish, enlarge,  
6 improve, extend, maintain, own, operate, and contract for the operation of public  
7 enterprises in order to furnish services to the county and its citizens. A county may  
8 acquire, construct, establish, enlarge, improve, maintain, own, and operate outside its  
9 borders any public enterprise.

10 (b) A county may ~~by ordinance or resolution~~ adopt adequate and reasonable rules  
11 ~~and regulations~~ to protect and regulate a public enterprise belonging to or operated by it.  
12 The rules shall be adopted by ordinance, shall apply to the public enterprise system both  
13 within and outside the county, and may be enforced with the remedies available under  
14 any provision of law."

15 Sec. 3. This act becomes effective 1 October 1992, and applies to ordinances  
16 adopted prior to the date this act becomes effective.