

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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HOUSE BILL 1428*

Short Title: Electrification Regulatory Fee.

(Public)

Sponsors: Representatives Ethridge; and H. Hunter.

Referred to: Public Utilities.

June 1, 1992

A BILL TO BE ENTITLED

AN ACT TO SET THE RURAL ELECTRIFICATION AUTHORITY REGULATORY FEE FOR THE 1992-93 FISCAL YEAR AND TO REQUIRE THE GENERAL ASSEMBLY TO ENACT LEGISLATION SETTING THE FEE IN FUTURE FISCAL YEARS ONLY IF THE FEE IS TO BE HIGHER THAN THE FEE SET FOR THE 1992-93 FISCAL YEAR.

The General Assembly of North Carolina enacts:

Section 1. G.S. 117-3.1(b) reads as rewritten:

"(b) Rate. =

~~1. For the 1991-92 fiscal year, the regulatory fee shall be three and three-fourths cents (3 3/4¢) for each electric membership corporation's North Carolina meter connected for service for that quarter and three and three-fourths cents (3 3/4¢) for each telephone membership corporation's North Carolina access line connected for service for that quarter.~~

~~2. For each fiscal years beginning on or after July~~

~~1, 1992, year,~~ the regulatory fee shall be that the greater of the following:

(1) The rate established by the General Assembly for that year for each electric membership corporation's North Carolina meter connected for service and each telephone membership corporation's North Carolina access line connected for service for each quarter-quarter of the year.

(2) Four cents (4¢) for each electric membership corporation's North Carolina meter connected for service and for each telephone

1 membership corporation's North Carolina access line connected for
2 service for each quarter of the year.

3 When the Authority prepares its budget request for the upcoming fiscal year, the
4 Authority shall propose a rate for the regulatory fee. For fiscal years beginning in an
5 odd-numbered year, that proposed rate shall be included in the budget message the
6 Governor submits to the General Assembly pursuant to G.S. 143-11. For fiscal years
7 beginning in an even-numbered year, that proposed rate shall be included in a special
8 budget message the Governor shall submit to the General Assembly. ~~The~~If the General
9 Assembly decides to set the regulatory fee at a rate higher than the rate in subdivision
10 (2) of this subsection, it shall set the regulatory fee by law.

11 The regulatory fee may not exceed the amount necessary to generate funds sufficient
12 to defray the estimated cost of the operations of the Authority for the upcoming fiscal
13 year, including a reasonable margin for a reserve fund. The amount of the reserve may
14 not exceed the estimated cost of operating the Authority for the upcoming fiscal year.
15 In calculating the amount of the reserve, the General Assembly shall consider all
16 relevant factors that may affect the cost of operating the Authority or a possible
17 unanticipated increase or decrease in North Carolina electric meters and North Carolina
18 telephone access lines."

19 Sec. 2. This act becomes effective July 1, 1992.