

HOUSE BILL NO. HB0205

Rate regulation of cooperative utilities.

Sponsored by: Representative(s) Samuelson, Berger, Diercks
and Walsh and Senator(s) Anderson, J.,
Meier, Peterson and Vasey

A BILL

for

1 AN ACT relating to public utilities; creating an exemption
2 to public service commission retail rate regulation for
3 cooperative electric utilities; providing procedures for
4 the exemption, rate adoption, complaints and return to
5 commission regulation; and providing for an effective date.

6

7 *Be It Enacted by the Legislature of the State of Wyoming:*

8

9 **Section 1.** W.S. 37-17-101 through 37-17-105 are
10 created to read:

11

12 CHAPTER 17

13 RATE REGULATION OF COOPERATIVE ELECTRIC UTILITIES

14

15 **37-17-101. Definitions.**

16

1 (a) As used in this article:

2

3 (i) "Cooperative electric utility" means any
4 nonprofit, member-owned cooperative organized under the
5 laws of the state of Wyoming and engaged in the business of
6 distributing electric energy in the state of Wyoming;

7

8 (ii) "Member owner" means any cooperative
9 electric utility owner that uses and pays retail electric
10 rates for electricity distributed by the cooperative
11 electric utility;

12

13 (iii) "Notification" or "written notice" means
14 publication in a newspaper of general circulation within
15 the area served by the cooperative electric utility, or in
16 a newsletter distributed by the cooperative electric
17 utility, or sent with a billing statement by the utility.

18

19 **37-17-102. Retail rate regulation; exemption.**

20

21 (a) Any cooperative electric utility exempt from
22 public service commission retail rate regulation shall
23 remain subject to this article, all other provisions of

1 Wyoming public utility law and the authority of the
2 commission.

3

4 (b) Nothing in this article shall be construed to
5 alter the certificated service territory of a cooperative
6 electric utility.

7

8 **37-17-103. Procedures for exemption; exclusion from**
9 **exemption provisions.**

10

11 (a) The board of directors of any cooperative
12 electric utility may adopt a resolution for exemption from
13 public service commission retail rate regulation and submit
14 the resolution to the member owners for a vote.

15

16 (b) A vote on exemption shall take place only during
17 a cooperative electric utility's annual meeting or by mail
18 ballots returned prior to and counted at the annual
19 meeting. Notification of a vote on the resolution shall be
20 provided to the member owners at least thirty (30) days
21 prior to the annual meeting.

22

23 (c) Upon an affirmative vote of a majority of the
24 member owners voting on the resolution in person or by mail

1 ballot, the election results shall be filed with the
2 commission. On the date of filing, the exemption shall
3 become effective.

4

5 (d) No cooperative electric utility that has net
6 annual sales greater than two billion (2,000,000,000)
7 kilowatt hours, in the previous calendar year shall be
8 eligible for the exemption provided under this article.
9 Any cooperative electric utility exempt under this article
10 which exceeds the limit specified in this subsection shall
11 return to retail rate regulation in the next calendar year.

12

13 **37-17-104. Adjustment of retail rates; complaint;**
14 **investigation; resolution.**

15

16 (a) A cooperative electric utility exempted under
17 W.S. 37-17-103 shall give written notice to all member
18 owners, at least thirty (30) days prior to the effective
19 date of any retail rate, including procedures for member
20 consumers to comment on proposed rates.

21

22 (b) If within thirty (30) days following the date of
23 mailing or publication of the notice a complaint signed by
24 not less than five percent (5%) of the member owners in a

1 rate class is filed with the cooperative electric utility,
2 then a hearing shall be conducted by the utility's board of
3 directors, to attempt to resolve the complaint.

4

5 (c) All retail rates adopted in accordance with this
6 article shall be filed with the commission.

7

8 (d) If within two (2) months of final implementation
9 of a retail rate a complaint signed by not less than five
10 percent (5%) of the member owners in any rate class, is
11 filed with the cooperative electric utility's board of
12 directors, the board shall have two (2) months from the
13 date of filing to attempt to resolve the complaint. The
14 complaint may be filed with the commission after the
15 expiration of this two (2) month period.

16

17 (e) Upon filing of the complaint with the commission,
18 the commission shall investigate the rate adjustment. A
19 complaint filed with the commission shall be resolved
20 pursuant to commission hearing and enforcement procedures.
21 The commission is authorized to require the utility to
22 revise its rates if the commission finds, after
23 investigation, that the rates are inadequate or
24 unremunerative, or unjust, or unreasonable, or unjustly

1 discriminatory, or unduly preferential or otherwise in any
2 respect in violation of any provision of this article. The
3 revised rates of the utility shall remain in effect while
4 the rates are under appeal pending commission order.

5
6 **37-17-105. Return to public service commission rate**
7 **regulation.**

8
9 (a) The board of directors of a cooperative electric
10 utility shall hold an election on the question of returning
11 to retail rate regulation at the next annual meeting after
12 receiving a petition requesting the same, signed by at
13 least five percent (5%) of the total member owners, or upon
14 the board's own motion.

15
16 (b) A vote on returning to rate regulation shall only
17 take place during a cooperative electric utility's annual
18 meeting, and notification of a vote on the resolution shall
19 be provided to the member owners at least thirty (30) days
20 prior to the annual meeting. The board shall file the
21 results of the election with the commission and a
22 cooperative electric utility shall return to retail rate
23 regulation upon an affirmative vote of a majority of the

1 member owners voting in person or by mail ballot on the
2 question.

3

4 **Section 2.** W.S. 37-1-101(a)(intro) is amended to read:

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6 **37-1-101. Definitions.**

7

8 (a) As used in chapters 1, 2, 3, ~~and~~ 12 and 17 of
9 this title:

10

11 **Section 3.** This act is effective July 1, 2007.

12

13 (END)