

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013

FILED SENATE
Mar 21, 2013
S.B. 397
PRINCIPAL CLERK

S

D

SENATE DRS35108-LM-30B* (02/06)

Short Title: Natural Gas/Rate Adjustment Mechanism. (Public)

Sponsors: Senator Newton (Primary Sponsor).

Referred to:

A BILL TO BE ENTITLED

AN ACT AUTHORIZING THE UTILITIES COMMISSION TO ADOPT, IMPLEMENT,
MODIFY, OR ELIMINATE A RATE ADJUSTMENT MECHANISM FOR NATURAL
GAS LOCAL DISTRIBUTION COMPANY RATES.

The General Assembly of North Carolina enacts:

SECTION 1. Article 7 of Chapter 62 of the General Statutes is amended by adding
a new section to read as follows:

**"§ 62-133.7A. Rate adjustment mechanism for natural gas local distribution company
rates.**

In setting rates for a natural gas local distribution company in a general rate case
proceeding under G.S. 62-133, the Commission may adopt, implement, modify, or eliminate a
rate adjustment mechanism to enable the company to recover the prudently incurred capital
investment and associated costs of complying with federal gas pipeline safety requirements,
including a return based on the company's then authorized return. The Commission shall adopt,
implement, modify, or eliminate a rate adjustment mechanism authorized under this section
only upon a finding by the Commission that the mechanism is in the public interest."

SECTION 2. This act is effective when it becomes law.



* D R S 3 5 1 0 8 - L M - 3 0 B *