

# ADOPTED



NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
Senate Bill 559

AMENDMENT NO. A1  
(to be filled in by  
Principal Clerk)

S559-ARI-37 [v.3]

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Amends Title [YES]  
Fourth Edition

Date August 20, ,2019

Representative Garry C. Strickland

1 moves to amend the bill on page 1, lines 3 through 5,  
2 by rewriting those lines to read:

3  
4 "REQUIRE THE UTILITIES COMMISSION TO STUDY THE USE OF "MULTIYEAR RATE  
5 PLAN" AND "BANDING OF AUTHORIZED RETURN" MECHANISMS FOR  
6 RATE-SETTING FOR ELECTRIC PUBLIC UTILITIES.";

7  
8  
9 and on page 15, line 11, through page 17, line 30  
10 by rewriting those lines to read:

11  
12 "PART II. UTILITIES COMMISSION TO STUDY ALTERNATIVE RATE-SETTING  
13 MECHANISMS.

14 SECTION 2.(a) The North Carolina Utilities Commission (Commission), in  
15 coordination with the Public Staff, shall conduct a study on the advisability of authorizing the  
16 following alternatives to the methods for fixing rates established under G.S. 62-133: multiyear  
17 rate plans (MRPs), banding of authorized returns, performance-based ratemaking, revenue  
18 decoupling, or a combination thereof, for general rate case proceedings for electric public  
19 utilities. In conducting the study, the Commission shall examine other states' experiences  
20 allowing these alternative rate-setting mechanisms, identify advantages and disadvantages  
21 associated with these mechanisms, and their impact on consumer rates and bills, service  
22 quality, reliability of the electric system, integration of distributed energy resources,  
23 modernization of the electric grid, emissions of air and water pollutants, and any other factors  
24 the Commission deems relevant.

25 SECTION 2.(b) The Commission shall, within 60 days following the effective date  
26 of this act, establish a stakeholder process to support and provide comment on the study required  
27 by Section 2.(a) of this act. The stakeholder process shall, to the extent feasible, include:

- 28 (1) The State Energy Director of the Department of Environment Quality;  
29 (2) A representative of the North Carolina Energy Policy Council;  
30 (3) The North Carolina President of Duke Energy or the President's designee;  
31 (4) A designee from Dominion North Carolina Power;



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- 1 (5) Representatives of commercial consumers of electricity in investor-owned
- 2 utility (IOU) service territory in North Carolina;
- 3 (6) Representatives of residential consumers of electricity in IOU service territory
- 4 in North Carolina;
- 5 (7) Representatives of industrial consumers of electricity in IOU service territory
- 6 in North Carolina;
- 7 (8) Representatives of the environmental community;
- 8 (9) Representatives of the NC Clean Energy Technology Center;
- 9 (10) Representatives of institutions of higher learning in IOU service territory in
- 10 North Carolina;
- 11 (11) Representatives of the North Carolina Electric Cooperatives and Electricities
- 12 of North Carolina; and
- 13 (12) Representatives of North Carolina's renewable energy industry.

14 **SECTION 2.(c)** The Commission shall submit a report of the study's findings and  
 15 recommendations, including stakeholder input, to the Joint Legislative Commission on Energy  
 16 Policy no later than March 1, 2020.

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19  
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**PART III. EFFECTIVE DATE.**

**SECTION 3.** This act is effective when it becomes law."

SIGNED *Larry C. Strickland*  
Amendment Sponsor

SIGNED \_\_\_\_\_  
Committee Chair if Senate Committee Amendment

ADOPTED \_\_\_\_\_ FAILED \_\_\_\_\_ TABLED \_\_\_\_\_

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and vote information, is available in the  
House Principal Clerk's Office**