

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

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HOUSE BILL 220
Committee Substitute Favorable 3/16/21
Committee Substitute #2 Favorable 3/30/21
Fourth Edition Engrossed 3/31/21

Short Title: Assuring Choice of Energy Service.

(Public)

Sponsors:

Referred to:

March 4, 2021

A BILL TO BE ENTITLED
AN ACT TO LIMIT CITIES AND COUNTIES FROM PROHIBITING CONSUMER CHOICE
OF ENERGY SERVICE BASED UPON THE TYPE OR SOURCE OF ENERGY TO BE
DELIVERED.

The General Assembly of North Carolina enacts:

SECTION 1.(a) Article 8 of Chapter 160A of the General Statutes is amended by
adding a new section to read:

"§ 160A-205.4. Limitations on regulation of energy choice.

(a) A city shall not adopt an ordinance that prohibits, or has the effect of prohibiting, the connection, reconnection, modification, or expansion of an energy service based upon the type or source of energy to be delivered to an individual or any other person as the end-user of the energy service.

(b) As used in this section, "energy service" means the energy source that a consumer may choose to use to heat or cool buildings, produce hot water, operate equipment, operate appliances, or any other similar activities, where the energy source is derived from one or more of a variety of sources such as natural gas, renewable gas, hydrogen, liquefied petroleum gas, renewable liquefied petroleum gas, or other liquid petroleum products and that is delivered to the consumer by an entity legally authorized to provide such service or electricity that is derived from one or more sources of electric generation and is delivered to the consumer by an entity legally authorized to provide such service and the distribution of the electricity occurs according to the territorial rights established by G.S. 160A-331.2, G.S. 160A-332, or G.S. 62-110.2. For purposes of this section, the terms "renewable gas" and "renewable liquified petroleum gas" shall mean gas derived from a renewable energy resource, as that term is defined by G.S. 62-133.8(a)(8).

(c) Nothing in this section shall be construed to (i) limit the ability of a city to choose the energy service for property owned by the city, (ii) prohibit a city from recovering reasonable costs associated with reviewing and issuing a permit, (iii) affect the authority of a city to manage or operate a city-owned utility, including a city's authority to require persons residing within their jurisdictions to obtain energy service from a city-owned utility or a joint municipal power agency of which they are a member, or (iv) impair a contract executed pursuant to G.S. 160A-322 prior to the effective date of this section for the supply of electric service."

SECTION 1.(b) Article 6 of Chapter 153A of the General Statutes is amended by
adding a new section to read:

"§ 153A-145.8. Limitations on regulation of energy choice.



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1 (a) A county shall not adopt an ordinance that prohibits, or has the effect of prohibiting,
2 the connection, reconnection, modification, or expansion of an energy service based upon the
3 type or source of energy to be delivered to an individual or any other person as the end-user of
4 the energy service.

5 (b) As used in this section, "energy service" means the energy source that a consumer
6 may choose to use to heat or cool buildings, produce hot water, operate equipment, operate
7 appliances, or any other similar activities, where the energy source is derived from one or more
8 of a variety of sources such as natural gas, renewable gas, hydrogen, liquefied petroleum gas,
9 renewable liquefied petroleum gas, or other liquid petroleum products and that is delivered to the
10 consumer by an entity legally authorized to provide such service or electricity that is derived
11 from one or more sources of electric generation and is delivered to the consumer by an entity
12 legally authorized to provide such service and the distribution of the electricity occurs according
13 to the territorial rights established by G.S. 160A-331.2, G.S. 160A-332, or G.S. 62-110.2. For
14 purposes of this section, the terms "renewable gas" and "renewable liquified petroleum gas" shall
15 mean gas derived from a renewable energy resource, as that term is defined by
16 G.S. 62-133.8(a)(8).

17 (c) Nothing in this section shall be construed to (i) limit the ability of a county to choose
18 the energy service for property owned by the county, (ii) prohibit a county from recovering
19 reasonable costs associated with reviewing and issuing a permit, or (iii) affect the authority of a
20 county to manage or operate a county-owned utility, including a county's authority to require
21 persons residing within their jurisdictions to obtain energy service from a county-owned utility."

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