

HOUSE BILL NO. HB0116

Rate filings of cooperative utilities.

Sponsored by: Representative(s) Stafford and Senator (s)  
Hawks

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 exemption, rate adoption, complaints and return to  
5 commission regulation; providing a legislative declaration;  
6 and providing for an effective date.

7

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

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10 **Section 1.** W.S. 37-17-101 through 37-17-106 are  
11 created to read:

12

13 Chapter 17

14 RATE REGULATION OF COOPERATIVE ELECTRIC UTILITIES

15

16 **37-17-101. Definitions.**

1

2 (a) As used in this chapter:

3

4 (i) "Cooperative electric utility" means any  
5 nonprofit, member-owned cooperative organized under the  
6 laws of the state of Wyoming, engaged in the business of  
7 distributing electric energy in the state of Wyoming and  
8 which sells less than three hundred million (300,000,000)  
9 kilowatt hours annually;

10

11 (ii) "Member consumers" means cooperative  
12 electric utility owners that use and pay retail electric  
13 rates for electricity distributed by the cooperative  
14 electric utility.

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16 **37-17-102. Retail rate regulation; exemption.**

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18 (a) Any cooperative electric utility exempt from  
19 public service commission retail rate regulation shall  
20 remain subject to this chapter, all other provisions of  
21 Wyoming public utility law and the authority of the  
22 commission.

23

1           (b) Nothing in this chapter shall be construed to  
2 alter the certificated service territory of a cooperative  
3 electric utility.

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5           **37-17-103. Procedures for exemption.**

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7           (a) The board of directors of any cooperative  
8 electric utility may adopt a resolution for exemption from  
9 the public service commission retail rate regulation and  
10 submit the resolution to the member consumers for a vote.  
11 The notices, meetings, election and approval provisions  
12 shall be pursuant to the terms and conditions set forth in  
13 the bylaws of the utility. Upon an affirmative vote of a  
14 majority of the members voting on the resolution, the  
15 election results shall be filed with the commission. On the  
16 date of filing, the exemption shall become effective.

17

18           (b) No cooperative electric utility may vote more  
19 than once a year on the exemption.

20

21           **37-17-104. Adoption of retail rates; notice and**  
22 **hearing; filing.**

23

1 A cooperative electric utility exempted under W.S.  
2 37-17-103 shall give notice, including procedures for  
3 member consumers to comment on proposed rates, and hearing  
4 to member consumers of any proposed retail rate adjustment.  
5 The utility shall adopt all necessary retail rates and file  
6 all retail rates with the public service commission.

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8 **37-17-105. Retail rate adjustment; complaint;**  
9 **investigation; resolution.**

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11 If within six (6) months of final implementation of a  
12 retail rate adjustment a complaint signed by not less than  
13 ten percent (10%) of all of the member consumers is filed  
14 with the commission, the commission shall investigate the  
15 rate adjustment. The complaint shall be resolved pursuant  
16 to commission hearing and enforcement procedures. The  
17 commission is authorized to require the utility to revise  
18 its rates if the commission finds, after investigation,  
19 that the rates are inadequate or unremunerative, or unjust,  
20 or unreasonable, or unjustly discriminatory, or unduly  
21 preferential or otherwise in any respect in violation of  
22 any provision of this chapter. The existing rates of the  
23 utility shall remain in effect while the rates are under  
24 investigation.

1

2           **37-17-106. Return to public service commission rate**  
3 **regulation.**

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5           (a) A cooperative electric utility shall return to  
6 commission retail rate regulation upon an affirmative vote  
7 of a majority of the member consumers voting on the  
8 question submitted upon resolution of the board of  
9 directors or upon a petition signed by at least ten percent  
10 (10%) of the member consumers requesting the return to  
11 commission rate regulation. The election shall be conducted  
12 according to the provisions of W.S. 37-17-103(a).

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14           (b) No cooperative electric utility may vote more  
15 than once a year on the question of returning to commission  
16 retail rate regulation.

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

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20           **37-1-101. Definitions.**

21

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

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1           **Section 3.** Legislative declaration.

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3   The legislature hereby finds and declares that cooperative  
4   electric utilities are owned by the member consumers they  
5   serve and are regulated by the member consumers themselves,  
6   acting through an elected governing body. It is further  
7   declared that the regulation of retail electric rates by  
8   the public service commission under this title may be  
9   duplicative of the self-regulation by the utilities and may  
10   be neither necessary nor cost effective. It is therefore  
11   the purpose of this chapter to allow cooperative electric  
12   utilities to exempt themselves from regulation of retail  
13   rates by the public service commission, subject to the  
14   provisions of this chapter. It is further found that with  
15   the exception of retail rate regulation, cooperative  
16   electric utilities shall continue to be subject to all of  
17   the other terms and conditions of title 37 of the Wyoming  
18   statutes pertaining to public utilities.

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20           **Section 4.** This act is effective July 1, 2002.

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(END)