ENGROSSED

ORIGINAL HOUSE BILL NO. 0205

ENROLLED ACT NO. 110, HOUSE OF REPRESENTATIVES

FIFTY-NINTH LEGISLATURE OF THE STATE OF WYOMING 2007 GENERAL SESSION

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

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

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

CHAPTER 17

RATE REGULATION OF COOPERATIVE ELECTRIC UTILITIES

### 37-17-101. Definitions.

(a) As used in this article:

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

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

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

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(iv) "Retail rates" means the monthly facilities charge and the rates charged for individually metered kilowatt or kilowatt hours delivered to every member owner of the cooperative.

#### 37-17-102. Retail rate regulation; exemption.

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

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

## 37-17-103. Procedures for exemption; exclusion from exemption provisions.

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

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

(c) Upon an affirmative vote of a majority of the member owners voting on the resolution in person or by mail ballot, the election results shall be filed with the

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commission. On the date of filing, the exemption shall become effective.

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

### 37-17-104. Adjustment of retail rates; complaint; investigation; resolution.

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

(b) If within thirty (30) days following the date of mailing or publication of the notice a complaint signed by not less than five percent (5%) of the member owners in a rate class is filed with the cooperative electric utility, then a hearing shall be conducted by the utility's board of directors, to attempt to resolve the complaint. On request by a member owner, for the exclusive purpose of preparing a complaint pursuant to this subsection, and in compliance with the cooperative's by-laws, the cooperative electric utility shall provide a list to the member owner which includes the names and contact information of all member owner.

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

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

Upon filing of the complaint with the commission, (e) the commission shall investigate the rate adjustment. А complaint filed with the commission shall be resolved pursuant to commission hearing and enforcement procedures. The commission is authorized to require the utility to revise its rates if the commission finds, after investigation, that the rates are inadequate or unremunerative, or unjust, or unreasonable, or unjustly discriminatory, or unduly preferential or otherwise in any respect in violation of any provision of this article. The order the commission may revised rates to include provisions for refunds. The revised rates of the utility shall remain in effect while the rates are under appeal pending commission order.

# 37-17-105. Return to public service commission rate regulation.

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

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

(c) Upon an affirmative vote of a majority of the member owners voting on the resolution in person or by mail ballot, the election results shall be filed with the commission. On the date of filing, the cooperative shall return to retail rate regulation by the commission.

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

### 37-1-101. Definitions.

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

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

(END)

Speaker of the House

President of the Senate

Governor

TIME APPROVED: \_\_\_\_\_

I hereby certify that this act originated in the House.

Chief Clerk