

**DRAFT ONLY  
NOT APPROVED FOR  
INTRODUCTION**

HOUSE BILL NO. \_\_\_\_\_

Utility rates-customer groups.

Sponsored by: Joint Corporations, Elections and Political  
Subdivisions Interim Committee

A BILL

for

1 AN ACT relating to utilities; specifying matters to be  
2 considered and applied in certain ratemaking cases;  
3 providing for off peak discounts and peak period  
4 surcharges; and providing for an effective date.

5

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

7

8 **Section 1.** W.S. 37-2-122 by creating new subsections  
9 (b), (c) and (d) and by renumbering (b) as (e) is amended  
10 to read:

11

12 **37-2-122. Matters considered in fixing rates; order**  
13 **changing services or facilities.**

1

2 (a) In determining what are just and reasonable rates  
3 the commission may take into consideration availability or  
4 reliability of service, depreciation of plant,  
5 technological obsolescence of equipment, expense of  
6 operation, physical and other values of the plant, system,  
7 business and properties of the public utility whose rates  
8 are under consideration.

9

10 (b) In considering the rates for a utility providing  
11 electricity or natural or manufactured gas for lights, heat  
12 or power, if the commission finds a utility's increased  
13 costs or a portion of a utility's increased costs are due  
14 primarily to costs of growth to serve an identified group  
15 or groups of customers, including the new technologies  
16 necessary to meet the growth requirements, any approved  
17 rate increase shall reflect a differential as necessary to  
18 ensure those costs are borne by the identified group or  
19 groups, unless the commission finds that all or a portion  
20 of the differential is not in the public interest. The  
21 commission may disregard as de minimis or as within the  
22 margin of error in growth projections differentials in  
23 increased growth of five percent (5%) or less in a ten year

1 period and may disregard higher differentials upon a  
2 finding that the higher differentials are within the  
3 reasonable uncertainty in the projections differentials.

4  
5 (c) In considering the rates for a utility providing  
6 electricity, if the commission finds that a portion of the  
7 rates are to recover higher costs due to the imposition by  
8 a non Wyoming jurisdiction of mandates relating to the type  
9 of generation that may be used, the commission shall remove  
10 those higher costs from the costs to be recovered from  
11 Wyoming ratepayers. The commission shall, however, allow  
12 the utility to recover those costs and any additional  
13 premiums the utility believes prudent through a higher  
14 tariff, voluntary to the customer, to encourage the  
15 generation of "green" or environmentally friendly power.

16  
17 (d) A utility providing electricity may offer and off  
18 peak discount from its approved rates to encourage usage  
19 that does not increase the need for generation and  
20 transmission facilities. An off peak discount pursuant to  
21 this subsection is not subject to prior approval by the  
22 commission. The commission shall be notified of the  
23 discount before it is implemented. The commission may

1 request information justifying the discount and may, after  
2 notice and opportunity for hearing, reduce the discount to  
3 ensure that the discounted rate recovers the marginal costs  
4 of providing the electricity. The utility may, after  
5 thirty (30) days public notice, including notice in the  
6 utility bills affected, eliminate any off peak discount  
7 pursuant to this subsection in whole or in part without  
8 approval of the commission. The commission may approve a  
9 peak period usage surcharge as part of an approved utility  
10 rate.

11  
12 ~~(b)~~ (e) If, upon hearing and investigation, any  
13 service or service regulation of any public utility shall  
14 be found by the commission to be unjustly discriminatory or  
15 unduly preferential, or any service or facility shall be  
16 found to be inadequate or unsafe, or any service regulation  
17 shall be found to be unjust or unreasonable, or any  
18 service, facility or service regulation shall be found  
19 otherwise in any respect to be in violation of any  
20 provisions of this act, the commission may prescribe and  
21 order substituted therefor such service, facility or  
22 service regulation, as it shall determine to be adequate  
23 and safe, or just and reasonable, as the case may be and

1 otherwise in compliance with the provisions of this act,  
2 including any provisions concerning the availability or  
3 reliability of service. It shall be the duty of the public  
4 utility to comply with and conform to such determination  
5 and order of the commission.

6

7 **Section 2.** This act is effective July 1, 2010.

8

9

(END)