1995 SENATE BILL 388

October 25, 1995 – Introduced by Senators Cowles, Panzer, Farrow and Burke, cosponsored by Representatives Duff, Jensen, Ott, Klusman, Hoven and Albers. Referred to Committee on Environment and Energy.

AN ACT to repeal 196.194 (2) (b); and to renumber and amend 196.194 (2) (a)
of the statutes; relating to: public service commission approval of tariffs
permitting a gas utility to enter into an individual contract with an individual
customer.

Analysis by the Legislative Reference Bureau

Under current law, the public service commission (PSC), may approve the filing of a tariff which permits a gas utility to enter into an individual contract with an individual customer, if the PSCdetermines that substitute gas services are available to customers or potential customers of the gas utility and the absence of such a tariff will cause the gas utility to be disadvantaged in competing for business. Tariffs filed under this provision are subject to a number of restrictions, including a requirement that the contract be compensatory and that the contract be submitted to the PSC within 20 days after being executed. Current law provides that these provisions do not apply to a contract that is entered into, renewed, extended or modified after June 30, 1996. This bill repeals that sunset date.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

5 SECTION 1. 196.194 (2) (a) of the statutes is renumbered 196.194 (2) and 6 amended to read:

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

196.194 (2) GAS UTILITIES. Nothing in ss. 196.03, 196.19, 196.20, 196.21, 196.22, 196.37, 196.60, 196.604 and 196.625 prohibits the commission from approving the filing of a tariff which permits a gas utility to enter into an individual contract with an individual customer if the commission determines that substitute gas services are available to customers or potential customers of the gas utility and the absence of such a tariff will cause the gas utility to be disadvantaged in competing for business. A tariff filed under this paragraph subsection shall include the condition that any such contract shall be compensatory. The tariff shall include any other condition and procedure required by the commission in the public interest. Within 20 days after a contract authorized under this paragraph subsection or an amendment to such a contract has been executed, the gas utility shall submit the contract to the commission. The commission shall give notice to any person, upon request, that a contract authorized under this paragraph subsection has been received by the commission. The notice shall identify the gas utility that has entered into the contract. Within 6 months after receiving substantial evidence that a contract may be noncompensatory, or upon its own motion, the commission shall investigate and determine whether the contract is compensatory. If the commission determines that the contract is noncompensatory, the commission may make appropriate adjustments in the rates or tariffs of the gas utility that has entered into the contract. in addition to other remedies under this chapter. The dollar amount of the adjustment may not be less than the amount by which the contract was found to be noncompensatory.

Section 2. 196.194 (2) (b) of the statutes is repealed.