

2016 Regular Session

HOUSE BILL NO. 310

BY REPRESENTATIVE CONNICK

PUBLIC SERVICE COMN: Provides relative to the authority of the Public Service Commission regarding pass-through charges

1 AN ACT

2 To enact R.S. 45:1163(C), relative to the Louisiana Public Service Commission; to require
3 the commission to audit adjustment clause filings and modify the fuel adjustment
4 charge of an electric utility; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 45:1163(C) is hereby enacted to read as follows:

7 §1163. Power to regulate rates and service; exceptions

8 * * *

9 C. To ensure that costs passed through to consumers are just and reasonable,
10 the commission shall, no less frequently than every other year, audit the adjustment
11 clause filings submitted by a public electric utility in this state, exercise its
12 authorized review and determination of such filings, and exercise its control and rate-
13 fixing authority to modify fuel adjustment charges of an electric utility as assessed
14 by an electric utility to rate-paying consumers through operation of the utility's fuel
15 adjustment clause.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 310 Reengrossed

2016 Regular Session

Connick

Abstract: Requires the Louisiana Public Service Commission (commission) to audit adjustment clause filings and modify the fuel adjustment charge of an electric utility.

Present law gives the commission the power and authority to fix and regulate rates charged and service furnished by certain public utilities.

Present law (R.S. 45:1163.2) provides for an electric utility's use of an authorized fuel adjustment clause to recoup from rate-paying customers the ongoing, actual costs of fuel and energy generation. Proposed law retains present law.

To ensure just and reasonable fuel adjustment charges to rate-paying customers, proposed law requires the commission to audit the adjustment clause filings of a public electric utility. Requires the commission to review and make certain determinations regarding adjustment clause filings. Further requires the commission to modify fuel adjustment charges of an electric utility that assesses recoupment charges through operation of an authorized fuel adjustment clause.

Proposed law requires the commission to provide such audits, reviews, determinations, and modifications no less frequently than every other year.

(Adds R.S. 45:1163(C))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Commerce to the original bill:

1. Move proposed law from R.S. 45:1163.2(G) to R.S. 45:1163(C).
2. Change may to shall to the require the commission to adjust fuel adjustment charges.
3. Require the commission to adjust fuel adjustment charges no less frequently than every other year.

The House Floor Amendments to the engrossed bill:

1. Require the commission to audit adjustment clause filings.