

State Corporation Commission 2009 Fiscal Impact Statement

1. Bill Number: HB1970

House of Origin X Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: Ware, R.L.

3. Committee: Commerce and Labor

4. Title: **Utility Facilities Act; excludes company that provides delivery of propane service via underground.**

5. Summary: Utility Facilities Act; delivery of propane service. Excludes any company that provides delivery of propane service by way of an underground distribution system from the definition of a “public utility” for purposes of the Utility Facilities Act. Such a company is nonetheless required to meet federal regulatory requirements, including those pertaining to operator qualifications, with respect to such a system.

6. Fiscal Impact Estimates: No fiscal impact.

7. Budget Amendment Necessary: None.

8. Fiscal Implications: None.

9. Specific Agency or Political Subdivisions Affected: None.

10. Technical Amendment Necessary:

The current language of the bill could create ambiguity with respect to the State Corporation Commission’s pipeline safety jurisdiction and its jurisdiction over certificated natural gas utilities that deliver, as part of regulated gas distribution service, propane via underground systems in limited situations. Deletion of lines 103-107 and substitution of the following would clarify the intent of the bill and preserve the Commission’s current pipeline safety authority:

"(10) A company other than an entity organized as a public service company that provides delivery of propane service by way of an underground distribution system. Any company excluded by this subdivision from the definition of 'public utility' for the purposes of this chapter nevertheless shall be subject to the Commission's jurisdiction relating to gas pipeline safety and enforcement."

11. Other Comments: None.

Date: 1/16/2009 T. Faherty

cc: Secretary of Commerce and Trade
Secretary of Public Safety