Appendix B

State Commission Authority To Prevent Bypass of Stranded Cost and Public Benefit Charges

The analysis of rural impacts of restructuring in Chapter 2 includes a brief review of the economic and legal barriers to the physical bypass distribution systems by large customers seeking to avoid paying stranded cost and/or public benefit charges. This Appendix examines the specific State-level legal barriers to physical distribution bypass, based on State laws and regulations compiled by the National Association of Regulatory Utility Commissioners (NARUC).¹⁵

Analysis of the information compiled by NARUC suggests that existing laws and regulations in nearly all States present major barriers to the physical bypass of distribution systems that apply over and above the significant economic barriers to bypass. First, 37 out of 50 States have the authority to assign exclusive service territories (Table B3). Given the State interest in preventing duplicative distribution service, it appears likely that States will retain exclusive service territories for distribution service following implementation of retail competition. In addition, in more than half the States, State law requires that private entities seeking to serve new customers obtain a certificate of convenience and necessity to initiate service (Table B1). Furthermore, many States require that private entities obtain certificates of public convenience and necessity before constructing transmission or distribution lines (Table B2). The continuation of such requirements in a competitive retail market clearly presents a significant barrier to the provision of alternative and duplicative distribution service.

There remain some States in which territories are not exclusive and where State commissions do not exercise certificating authority over utilities. In such States, the State commission may not possess the authority to prevent an alternative supplier from offering alternative distribution service to a final customer once the State implements retail competition. However, a State commission with ratemaking authority over a particular type of utility could still assure that any stranded cost or public benefit charges applied by a utility within that class would be nonbypassable, even if the customer had physically bypassed the distribution system.

While most States lack ratemaking jurisdiction over rural cooperatives (Table B4), it appears that only Missouri and Washington lack both the authority to prevent duplicative service and the authority to regulate the rates of rural cooperatives. Accordingly, it would appear that the State commissions in just these two States would be unable to prevent a cooperative customer from bypassing the stranded cost charge.

¹⁵National Association of Regulatory Utility Commissioners, *Compilation of Utility Regulatory Policy*, *1995-1996* (December 1996).

Table B1. Agency Authority To Require Certificates of Convenience and Necessity (or Equivalent) To Initiate or Abandon Service

| | | | | Authorit | y To Req | uire Cer | ertificates of Convenience and Necessity for: | | | | | | |
|---------------------------------|----------------|--------------------|----------------|-----------------|----------------|-----------------|---|--------------------------------------|-----------------|-----------------|--------|-----------------|--|
| | | Initiating Service | | | | | | Abandonment of Facilities or Service | | | | | |
| | | Electric | | G | as | | | Electric | | G | as | | |
| | | | Coop- | | | Tele- | | | Coop- | | | Tele- | |
| Agency | Private | Public | erative | Private | Public | phone | Private | Public | erative | Private | Public | phone | |
| FCC | | | | | | Х | 40.00 | 40 | 40 | | | Х | |
| FERC | | | | Х | | | X ^{12,20} | X ¹² | X ¹² | Х | | | |
| Alabama PSC ²⁶ | Х | | | Х | | Х | Х | | | Х | | Х | |
| Alaska PUC ²⁶ | Х | Х | Х | Х | Х | Х | Х | Х | Х | Х | Х | Х | |
| Arizona CC | Х | | Х | Х | | Х | Х | | Х | Х | | Х | |
| Arkansas PSC | Х | | Х | Х | | Х | Х | | Х | Х | | Х | |
| California PUC | Х | | Х | Х | | | Х | | Х | Х | | Х | |
| Colorado PUC ⁷ | Х | | Х | Х | | Х | Х | | Х | Х | | Х | |
| Connecticut DPUC | | | | | | Х | Х | | | | | | |
| Delaware PSC ²⁶ | Х | | Х | Х | | Х | Х | | Х | Х | | Х | |
| DC PSC | Х | Х | Х | X | Х | Х | Х | Х | Х | Х | Х | Х | |
| Florida PSC ¹³ | | | | X ²³ | | Х | | | | | | Х | |
| Georgia PSC | | | | Х | | Х | | | | Х | | Х | |
| Hawaii PUC | Х | | | Х | | Х | | | | | | | |
| Idaho PUC | Х | | | Х | | Х | Х | | | Х | | Х | |
| | Х | | | Х | | X ⁶ | Х | | Х | Х | | Х | |
| Indiana URC | | | | | | X | Х | Х | Х | Х | | Х | |
| Iowa UB ²⁶ | Х | X | Х | | | X ²¹ | Х | X | Х | Х | X | Х | |
| Kansas SCC ²⁶ | Х | 4 | Х | Х | 4 | Х | Х | 4 | Х | Х | 4 | Х | |
| Kentucky PSC | Х | 4 | Х | Х | 4 | Х | Х | 4 | Х | Х | 4 | Х | |
| Louisiana PSC ^{26,8} | | | | | | | | | | | | | |
| Maine PUC | X ¹ | X ¹ | X ¹ | X ¹ | X ¹ | X ¹ | Х | Х | Х | Х | Х | Х | |
| Maryland PSC | X ² | X ² | X ² | X ² | X ² | Х | Х | Х | Х | Х | Х | Х | |
| Massachusetts DPU ²⁶ | 0 | | 0 | 0 | | X | Х | Х | | Х | Х | Х | |
| Michigan PSC | 3 | | 3 | 3 | | X ³ | Х | | Х | | | Х | |
| Minnesota PUC ²⁶ | Х | Х | Х | Х | | Х | Х | Х | Х | Х | Х | Х | |
| Mississippi PSC | Х | | Х | Х | Х | Х | Х | | Х | Х | | Х | |
| Missouri PSC | Х | | | Х | | Х | Х | | | Х | | | |
| Montana PSC ⁹ | | | | | | | | | | | | | |
| Nebraska PSC | | | | | | Х | | | | | | Х | |
| Nevada PSC | Х | | Х | Х | | Х | Х | 00 | Х | Х | | Х | |
| New Hampshire PUC | Х | Х | Х | Х | Х | Х | Х | 22 | Х | Х | Х | Х | |
| New Jersey BPU ^{26,5} | | | | | | | | | | | | | |
| New Mexico PUC | Х | | Х | Х | | | Х | | Х | Х | | | |
| New Mexico SCC ²⁶ | | 4 | | | 4 | Х | | | | | | Х | |
| New York PSC ²⁶ | Х | 4 | | Х | 4 | Х | Х | Х | | Х | Х | Х | |
| North Carolina UC | Х | | | Х | | Х | Х | | | Х | | Х | |
| North Dakota PSC | Х | | | Х | | Х | X | | | X | | X | |
| Ohio PUC ¹⁷ | | | | | | | X ¹⁹ | | | X ¹⁹ | | X ¹⁹ | |
| Oklahoma CC | X | | Х | | | Х | X | | Х | Х | | Х | |
| Oregon PUC | X ² | | | | | Х | X ² | | | | | | |
| Pennsylvania PUC | Х | | | Х | | Х | Х | | | Х | | Х | |
| Rhode Island PUC | | Х | Х | Х | Х | Х | | | | | | | |
| South Carolina PSC | Х | | Х | Х | | Х | Х | | Х | Х | | Х | |
| South Dakota PUC ²⁶ | | | | | | Х | | | | | | | |
| Texas PUC ²⁶ | Х | Х | Х | | | Х | Х | Х | Х | _ | | Х | |
| Texas RC | | | | | | | | | | X ⁵ | | | |
| | Х | | Х | Х | | Х | Х | | Х | Х | | Х | |
| Vermont PSB | Х | Х | Х | Х | | Х | Х | Х | Х | Х | | | |
| Virginia SCC | _ X | | Х | Х | | Х | Х | | Х | Х | | Х | |

| | | The Age | ency Has | Authorit | y To Rec | uire Cer | rtificates of Convenience and Necessity for: | | | | | | | |
|-------------------------------------|-----------------|--------------------|-----------------|----------|----------|----------|--|--------|--------------------------------------|---------|--------|-------|--|--|
| | | Initiating Service | | | | | | | Abandonment of Facilities or Service | | | | | |
| | | Electric | | G | as | | Electric | | | Gas | | | | |
| | | | Coop- | | | Tele- | | | Coop- | | | Tele- | | |
| Agency | Private | Public | erative | Private | Public | phone | Private | Public | erative | Private | Public | phone | | |
| Washington UTC | | | | Х | Х | | | | | | | | | |
| West Virginia PSC | Х | Х | Х | Х | Х | Х | Х | Х | Х | Х | Х | Х | | |
| Wisconsin PSC | Х | Х | | Х | Х | Х | Х | Х | | Х | Х | Х | | |
| Wyoming PSC | Х | 4 | Х | Х | 24 | Х | Х | 4 | Х | Х | 24 | Х | | |
| Virgin Islands PSC ¹⁰ | | | | | | | | | | | | | | |
| Canadian RTC | | | | | | | | | | | | | | |
| National Energy Board ¹⁸ | X ²⁵ | X ²⁵ | X ²⁵ | Х | Х | | Х | Х | Х | Х | Х | | | |
| Alberta EUB ¹⁵ | | | | | | | | | | | | | | |
| Nova Scotia UARB ¹⁶ | | | | | | | | | | | | | | |
| Ontario EB | | | | Х | | | | | | Х | | | | |
| Quebec NGB ²⁶ | | | | Х | | | | | | Х | | | | |

Table B1. Agency Authority To Require Certificates of Convenience and Necessity (or Equivalent) To Initiate or Abandon Service

¹Finding of public convenience and necessity required if another utility is already offering or is authorized to offer comparable service in the same area.

²Authorize exercise of franchise rather than issue Certificate of Public Convenience and Necessity.

³Certificate authority limited to gas transmission pipelines, gas storage fields, telephone companies and, in the case of gas and electric companies, to situations where one utility proposes to extend service into a municipality presently receiving like and contemporaneous service from another utility.

⁴Only outside municipal limits.

⁵Implied authority from statute; utilities must provide safe, adequate, proper service.

⁶Certificate required for extension outside previously certified area; not for extension within certified area.

⁷Commission has no jurisdiction over municipally owned utilities operating inside corporate limits except for gas safety and has jurisdiction outside corporate boundaries only when rates outside differ from the rates charged inside.

⁸Louisiana Constitution of 1974 grants wide and plenary authority to "regulate" but no specific certification authority is provided except by statute to radio common carriers. Authority may be implied.

⁹Certificates, Permits and Licenses—none required; however, new construction may be subject to "Major Facility Siting Act," 75-20-101 et seq, MCA.

¹⁰Electric facilities are owned and operated by the government and are regulated by Commission only for rate increases. No natural gas service in Virgin Islands other than "bottled gas," which is not regulated.

¹Agency approves major additions to all regulated utilities; does not use the term Certificate of Convenience and Necessity. Effective June 1995, requires from long distance resellers. ¹²Yes, for licensed hydroelectric projects only.

¹³1974 Legislature gave territory authority to PSC over all electrics, including municipal and REAs to settle disputes among utilities. The Governor and Cabinet have final authority over certification and siting of major generation and transmission plant additions; PSC determines whether such facilities are needed.

¹⁴Board has exclusive jurisdiction to decide location of installation and conditions of operation of any telecommunications company under its jurisdiction.

¹⁵Authority formerly rested with the Energy Resources Conservation Board, which merged with the Public Utilities Board 2/15/95 to form the Energy and Utilities Board, which retains all the powers of the former Boards.

¹⁶Board approval required to construct major additions and to abandon lines or works.

¹⁷Power Siting Board staff are part of PUCO.

¹⁸Authorizes international interconnections and generating plants built for international exports; jurisdiction includes oil and high vapor pressure pipelines as well.

¹⁹Limited authority.

²⁰Notice of abandonment must be filed as a change in rates; effectiveness may be suspended for 5 months.

²¹Only for landline local telephone service.

²²Only outside municipal limits, and then only if customers outside are charged a higher rate or service is not equal to that served within the municipality.

²³The 1992 Legislature granted the PSC authority for determining need for intrastate natural gas transmission lines. Dept. of Environmental Protection determines siting; Governor and Cabinet issue certificate.

²⁴None in jurisdiction.

²⁵Certificate of public convenience and necessity may be issued for designated international power lines and interprovincial power lines. ²⁶Commission did not respond to request for update information; data may not be current.

Source: National Association of Regulatory Utility Commissioners, NARUC Compilation of Utility Regulatory Policy 1995-1996.

Table B2. Agency Authority To Require Certificates of Convenience and Necessity (or Equivalent) To Construct Major Line Additions

| | | The Age | ency Has | Authorit | y To Rec | uire Cer | tificates o | of Conve | nience al | nd Neces | sity for: | | | |
|---------------------------------|------------------|-----------------|-----------------|-----------------|-----------------|----------------|-----------------|----------------|-----------------|-----------------|----------------|----------------|--|--|
| | Constructing Maj | | | | | | | | | | | | | |
| | | Т | ransmiss | sion Line | s | | | | | | | | | |
| | | Electric | | G | as | | | Electric | | Ga | as | | | |
| | | | Coop- | | | Tele- | | | Coop- | | | Tele- | | |
| Agency | Private | Public | erative | Private | Public | phone | Private | Public | erative | Private | Public | phone | | |
| FCC | | | | | | Х | | | | | | Х | | |
| FERC | X ¹⁰ | X ¹⁰ | X ¹⁰ | Х | | | | | | | | | | |
| Alabama PSC ²⁶ | Х | | | Х | | | Х | | | Х | | | | |
| Alaska PUC ²⁶ | | | | | | | Х | X ³ | X ³ | X ³ | X ³ | X ³ | | |
| Arizona CC | | | | | | | | | | | | | | |
| Arkansas PSC | Х | | X | Х | | Х | X | | X | X | | Х | | |
| California PUC | X ⁶ | | X ⁶ | Х | 0 | 0 | X ¹⁵ | | X ¹⁵ | X ¹⁵ | | 0 | | |
| Colorado PUC ³ | 3 | 10 | 3 | 10 | 3 | 3 | 3 | | 3 | 3 | | 3 | | |
| Connecticut DPUC | 18 | 18 | 18 | 18 | 18 | | | | | | | | | |
| Delaware PSC ²⁶ | | | | | | | | | | | | | | |
| DC PSC | Х | | | Х | | | Х | | | Х | | | | |
| Florida PSC ¹¹ | | | | | | | | | | | | | | |
| Georgia PSC | | | | X | | Х | | | | Х | | X ³ | | |
| Hawaii PUC | 4 | | | 4 | | 4 | 4 | | | 4 | | 4 | | |
| Idaho PUC | X ³ | | | Х | | X ³ | X ³ | | | X ³ | | X ³ | | |
| | Х | | | Х | | X ³ | Х | | | Х | | X ³ | | |
| Indiana URC | | | | | | | | | | | | | | |
| Iowa UB ²⁶ | Х | Х | Х | Х | Х | | | | | Х | Х | | | |
| Kansas SCC ²⁶ | Х | 1 | Х | | | | Х | 1 | Х | | | | | |
| Kentucky PSC | Х | X ¹ | Х | Х | X ¹ | Х | Х | 1 | Х | Х | 1 | Х | | |
| Louisiana PSC ^{26,7} | | | | | | | | | | | | | | |
| Maine PUC | Х | Х | Х | | | | | | | | | | | |
| Maryland PSC | Х | Х | Х | | | | | | | | | | | |
| Massachusetts DPU ²⁶ | X ¹⁹ | X ¹⁹ | | X ¹⁹ | X ¹⁹ | | | | | | | | | |
| Michigan PSC | 25 | | 25 | Х | | | 25 | | 25 | | | | | |
| Minnesota PUC ²⁶ | Х | Х | Х | Х | Х | | | | | | | | | |
| Mississippi PSC | Х | | Х | Х | | Х | Х | | Х | Х | | Х | | |
| Missouri PSC | X ³ | | | X ³ | | | X ³ | | | X ³ | | | | |
| Montana PSC ⁸ | | | | | | | | | | | | | | |
| Nebraska PSC | | Х | | | | Х | | Х | | | | | | |
| Nevada PSC | X ⁶ | | Х | Х | | Х | X6 | | Х | Х | | Х | | |
| New Hampshire PUC | Х | Х | Х | Х | Х | Х | | | | | | | | |
| New Jersey BPU ^{26,2} | | | | | | | | | | | | | | |
| New Mexico PUC | Х | | Х | Х | | | 3 | 3 | 3 | 3 | 3 | | | |
| New Mexico SCC^{26} | | | | | | | | | | | | | | |
| New York PSC ²⁶ | X ⁵ | X ⁵ | X ⁵ | X ⁵ | X ⁵ | | 5 | 1,5 | | 5 | 1,5 | 5 | | |
| North Carolina UC | X ²³ | X ²³ | X ²³ | | | | | | | | | | | |
| North Dakota PSC | Х | | | Х | | Х | Х | | | Х | | Х | | |
| Ohio PUC ¹⁶ | Х | Х | Х | Х | Х | | | | | | | | | |
| Oklahoma CC | | | | | | | | | | | | | | |
| Oregon PUC | X ²⁰ | X ²⁰ | X ²⁰ | | | | | | | | | | | |
| Pennsylvania PUC | Х | | | | | | Х | | | Х | | Х | | |
| Rhode Island PUC ²⁴ | Х | Х | Х | Х | Х | | Х | Х | Х | Х | | Х | | |
| South Carolina PSC | Х | | | Х | | | | | | Х | | | | |
| South Dakota PUC ²⁶ | | | | | | | | | | | | | | |
| Texas PUC ²⁶ | Х | | Х | | | Х | Х | | Х | | | Х | | |
| Texas RC | | | | | | | | | | | | | | |
| Utah PSC | X ³ | | Х | | | Х | Х | | Х | | | Х | | |
| Vermont PSB | Х | Х | Х | | 21 | | Х | Х | Х | Х | 21 | Х | | |

Table B2. Agency Authority To Require Certificates of Convenience and Necessity (or Equivalent) To Construct Major Line Additions

| | | The Agency Has Authority To Require Certificates of Convenience and Necessity for: | | | | | | | | | | |
|--------------------------------|-----------------|--|------------------|---------|-----------------|----------------|------------|----------|------------------|-----------|--------|----------------|
| | | | | | Constru | icting Ma | ijor Addit | ions to: | | | | |
| | | Transmission Lines | | | | | | | Distribut | ion Lines | ; | |
| | Electric | | G | Gas | | Electric | | | Gas | | | |
| Agency | Private | Public | Coop- erative | Private | Public | Tele- phone | Private | Public | Coop- erative | Private | Public | Tele- phone |
| Virginia SCC | Х | | Х | Х | | Х | Х | | Х | Х | | Х |
| Washington UTC | | | | | | | | | | | | |
| West Virginia PSC | Х | Х | Х | Х | Х | Х | Х | Х | Х | Х | Х | Х |
| Wisconsin PSC | Х | Х | X ²² | Х | Х | Х | Х | Х | | Х | Х | Х |
| Wyoming PSC | X ¹ | Х | Х | Х | X ²¹ | Х | Х | 1 | Х | Х | 21 | Х |
| Canadian RTC | | | | | | | | | | | | |
| National Energy Board | X ¹⁷ | X ¹⁷ | | Х | Х | | | | | | | |
| Alberta EUB ¹³ | | | | | | | | | | | | |
| Nova Scotia UARB ¹⁴ | | | | | | | | | | | | |
| Ontario EB | | | | Х | | | | | | Х | | |
| Quebec NGB ²⁶ | | | | Х | | | | | | Х | | |

¹Only outside municipal limits.

²Implied authority from statute; utilities must provide safe, adequate, proper service.

³Certificate required for extension outside previously certificated area.

⁴Although certification is not required, all capital expenditures in excess of \$500,000 or 10% of the total plant in service must be submitted to the Commission for review.

⁵Certificates usually authorize construction of minor electric, gas and telephone plant of all sorts, without time limit, within specified areas. Thus, a utility needs no additional certificate, other than for transmission line (Pub Serv Law Art VII), to construct plant within its previously certified area. Commission approval is required to construct outside its certified area. Non-retail gas transmission by exploration companies needs no franchise, but must meet safety standards and may require an Article VII certificate.

⁶Those in excess of 200 kilovolts. In 1994, PSC adopted new rules (GO 131-D) requiring a permit-to-construct for substations or transmission lines between 50-200 kilovolts.

⁷Louisiana Constitution of 1974 grants wide and plenary authority to "regulate" but no specific certification authority is provided except by statute to radio common carriers. Authority may be implied.

⁸No Certificates, Permits and Licenses required; but new construction may be subject to "Major Facility Siting Act," 75-20-101 et seq.

⁹Agency approves major additions to all regulated utilities; does not use the term Certificate of Convenience and Necessity.

¹⁰Yes, for licensed hydroelectric projects only.

¹¹1974 Legislature gave territory authority to PSC over all electrics, including municipal and REAs to settle disputes among utilities. The Governor and Cabinet have final authority over certification and siting of major generation and transmission plant additions; PSC determines whether such facilities are needed. Similar authority granted for gas in 1989 and 1992.

¹²Board has exclusive jurisdiction to decide location of installation and conditions of operation of any telecommunications company under its jurisdiction.

¹³Authority rested with Energy Resources Conservation Board for electric and gas. ERCB is now part of the new EUB.

¹⁴Board approval required to construct major additions and to abandon lines or works.

¹⁵Authority not exercised.

¹⁶Power Siting Board staff are part of PUCO.

¹⁷Certificates of public convenience and necessity may be issued for designated international power lines or interprovincial power lines.

¹⁸Participates through membership in a separate power siting agency, which has the authority.

¹⁹Department has power to rezone property for construction of utility facilities and make takings in Eminent Domain Proceedings.

²⁰Limited to when condemnation is required.

²¹Have the authority but no public gas companies in jurisdiction.

²²Transmission lines rated 100 kilovolts or greater.

²³Those in excess of 161 kilovolts.

²⁴Energy Facility Siting Board has jurisdiction over transmission lines of 69 kilovolts and over.

²⁵Certificate authority limited to situations where one utility proposes to extend service into a territory presently receiving like and contemporaneous service from another utility.

²⁶Commission did not respond to request for update information; this data may not be current.

Source: National Association of Regulatory Utility Commissioners, NARUC Compilation of Utility Regulatory Policy 1995-1996.

Table B3. Service Territories Outside Municipal Limits

| Agency | Authority To Serve Is Obtained By or Under: | Service Territory Is Assigned? | Service Territory Is Exclusive? | Name of Entity with Authority To Resolve Disputes |
|--------------------------------|--|---|---|---|
| Alabama PSC^2 | §§37-14-3; 37-14-32 | No | Yes §37-14-3; 37-14-36 | Courts 37-14-9; -37 |
| Alaska PUC ² | CPCN 42.05.221 | No | Yes §42.05.221[d] | PUC §42.05.221[d] |
| Arizona CC | Franchise/CCN 40-282 | No | Yes S40-281[B]/40-1515 | CC §40-281[B] |
| Arkansas PSC | CCN; PSC grant-munis | No | Yes §23-18-101 | PSC or Circuit Court |
| California PUC | CCN Pub U 1001 & 2781 | No | Yes PUC Pub U 1001 | PUC Pub U 1001 |
| Colorado PUC | CCN §40-5-101 & 40-9.5-105 (co-ops) | Yes CCN §40-5-101 & 40-9.5-105 (co-ops) | Yes CCN §40-5-101 | PUC §40-5-101 & 40-9.5-105 (co-ops) |
| Connecticut DPUC | Legislative action | Yes | Yes | Legislature |
| Delaware PSC ² | CPCN from PSC 26 Del C. §203A[a] | Yes CPCN 26 Del C. §203B[g] | Yes CPCN §203B[g] | PSC/Del. Supreme Court |
| DC PSC | | | | |
| Florida PSC | PSC 366.04[2] [d] & [e] | Yes 366.04[2] [d] & [e] | Yes 366.04[2][d] & [el | PSC 366.04[2e] |
| Georgia PSC | PSC decision §46-3-4 | Service maps 3/29/73 | Yes §46-3-4[2] ¹ | PSC §46-3-13 & 46-3-8 |
| Hawaii PUC | CCN §269-7.5 | CCN application 269-7.5 | No | Not addressed |
| Idaho PUC | CCN from PUC §61-526 | No | Yes §61-332C | District Court 61-334B |
| Illinois CC | CCN (not co-ops) 220 ILCS 5/8-405 | No; service areas as of 7/2/65; agreement | Yes 220 ILCS §§405, & 406, 407, 408 | CC 220 ILCS §411; not for munis |
| Indiana URC | | Yes §8-1-2.3-3 | Yes §8-1-2.3-6 | URC/appeal to court |
| Iowa UB ² | Certificate from UB | Maps as of 1/1/76 | Yes §476.25 | UB 476.23 |
| Kansas SCC 2 | SCC §66-1, 172[4] | Yes by SCC §66-1, 172 | Yes §66-1, 172 | SCC §66-1, 174 |
| Kentucky PSC | CCN from PSC §278.020 | Maps as of 6/16/72 | Yes §278.016/.017/.018 | PSC |
| Louisiana PSC ² | Parish franchise | No | No, 300-ft rule 45:123 | PSC RS 45:123 |
| Maine PUC | Franchise/PUC consent | No | Yes Title 35-A §2101 | PUC Title 35-A §2103 |
| Maryland PSC | Franchise Art. 23 §167 | File service maps | No, Ch. 179, 1976 | Not addressed |
| Massachusetts DPU ² | | | Yes Ch. 164, §§46-47 | DPU Ch. 164, §47 |
| Michigan PSC | Franchise/CCN—IOUs/ coops Const. Art. 7 §29 | CCN from PSC—MCLA §460.502 | No | PSC—IOUs/co-ops/CCN, not for munis |
| Minnesota PUC ² | PUC §216B.39 | Maps as of 4/12/74 | Yes §216B.39 | PUC §216B.39 |
| Mississippi PSC | Franchise/CCN 77-3-19 | No | Yes §77-3-11 et seq | PSC, but not munis |
| Missouri PSC | Franchise (county), CCN (PSC) §229.100 & 393.170. Co-op 394.080 | No, area agreements subject to PSC approval | No §394.160 | Courts |
| Montana PSC | §69-5-104 | Current supplier 2/1/71 | Yes §69-5-105 | Dist. Court §69-5-110 |
| Nebraska PSC | Power Review Board | Yes 70-1005 | Yes 70-1009, 70-1011 | Power Review Board |
| Nevada PSC | CCN §704.330; co-ops §81.410, 704 & 675 | No | Yes §704.330 & 704.340 | PSC §704.330 & 704.340 |
| New Hampshire PUC | PUC §374:22 | Yes PUC §374:22 | Not necessarily, 1995 | PUC §374:22 |
| New Jersey BPU ² | Franchise 48:7-1 & 48:3-11 et seq | No | Yes §48:7-1 & 40:62-24 | BRC §48:7-5 |
| New Mexico PUC | CCN (PUC) 53-24-1[A] & 3-24-8; 62-15-3 | CCN prevails | No, CCN governs 62-9-1 & 62-9-2B, 62-9-6 | PUC 62-9-1 et seq; 62-9-3.1 |
| New York PSC ² | Franchise Art. 2, PSC certificate Art. 4, Public Service Law §68 | No | No, court decision | Not addressed |
| North Carolina UC | Franchise/existence of line as of 4/10/65 §160A-319; 160-331 -38 | Yes IOUs/co-ops by UC See also §62-110.2 | Yes for IOUs & co-ops, not for munis | UC for IOUs/co-ops; courts for munis |
| North Dakota PSC | Certificate (PSC) §49-03-01; 10-13-01 | Maps as of 7/1/65 | Yes maps as of 7/1/65 §49-03-01.3 | PSC §49-03-01.4 |
| Ohio PUC | CCN (PUC) ORS 4933.81 | Franchise governs | Yes for IOUs/co-ops | PUC for IOUs/co-ops |
| Oklahoma CC | 17 OS 1981 §158.21 am. | Certified service area | Yes 17 OS 1981 §158.21 | CC 17 OS 1981 §158.24 |
| Oregon PUC | §758.010 et seq | No | Yes if PUC approves 758.400[1], 758.435[1] | PUC §758.400 et seq |
| Pennsylvania PUC | CCN (PUC) T. 15 §3277 | Service maps of 1975 | Yes service maps | PUC, appeal to court |
| Rhode Island PUC | CCN | No | No §39-17-2 | Not addressed |
| South Carolina PSC | CCN (PSC) 58-27-1230 | CCN/PSC 58-27-620 & 640 | Yes §58-27-620 & -640 | PSC or courts |
| South Dakota PUC ² | 59-39-1; 47-21-1 | Yes lines as of 3/21/75 | Yes §49-34A-43 | PUC §49-34A-43 |
| Texas PUC^2 | CCN T. 32, Ch 10, 1446 | CCN (PUC) 1446c, §51 | No, CCN 1446c, §51 | PUC 1446c, Art VII |

Table B3. Service Territories Outside Municipal Limits

| Agency | Authority To Serve Is Obtained By or Under: | Service Territory Is Assigned? | Service Territory Is Exclusive? | Name of Entity with Authority To Resolve Disputes |
|-------------------|---|-----------------------------------|------------------------------------|---|
| Utah PSC | CCN (PSC) §54-4-25 | CCN §54-4-25 | Yes CCN §54-4-25 | PSC; court for munis |
| Vermont PSB | Co-ops T. 30, §2912 | Yes T. 30, §249 et seq | Yes T. 30, §249 et seq | PSB T. 30, §249 et seq |
| Virginia SCC | Franchise Const. Art. VII §8; CCN §56-265.1 et seq | CCN §56-265.1 | Yes §56-265.31; see §56-265.4 | SCC §56-265.3; see §56-265.4 |
| Washington UTC | Franchise §80.32.010; §54.04.040 | No | No - prohibited §36.55.060[3] | Not addressed |
| West Virginia PSC | CCN (PSC) Code 24-2-11 | No | No - court decision | PSC Code 24-2-1 |
| Wisconsin PSC | §196.49; .495; .50 | No | Recognized 196.495/.50 | PSC §196.50; 196.495 |
| Wyoming PSC | CCN (PSC) 37-2-205 | No | No-court decision | PSC §37-2-205 |

¹Telco service areas are not exclusive any more. ²Commission did not respond to request for information. This data may not be current. Source: National Association of Regulatory Utility Commissioners, *NARUC Compilation of Utility Regulatory Policy 1995-1996*.

Table B4. Agency Authority To Regulate Rates on Retail Sales to Federal or Other Public Authorities—Electric and Gas

| Autionities—Li | | | gency Has | Authority | To Regula | te or Contr | ol Rates o | n Retail Sa | ales to: | | | |
|------------------------------|-----------------|-----------------|------------------|-----------------|-----------------|--------------------|-----------------|------------------|-----------------|---|--|--|
| | F | | | Public Us | e | Federal Government | | | | | | |
| | | (No Electric | ot for Resa | | as | | (No Electric | ot for Resa | | as | | |
| Agency | Private | Public | Coop- erative | Private | Public | Private | Public | Coop- erative | Private | Public | | |
| FERC | | 1 | | | | | 1 | | | | | |
| Alabama PSC ^{6,20} | | 6 | | | 6 | | 6 | | Х | 6 | | |
| Alaska PUC | Х | X ² | X ¹⁷ | Х | Х | Х | X ² | X ¹⁷ | Х | Х | | |
| Arizona CC | Х | | Х | Х | | Х | | Х | Х | | | |
| Arkansas PSC | Х | | Х | Х | | Х | | Х | Х | | | |
| California PUC ⁶ | Х | | | Х | | Х | | | Х | | | |
| Colorado PUC | | | | | | | | | | | | |
| Connecticut DPUC | Х | | | Х | | Х | | | Х | | | |
| Delaware PSC ⁶ | Х | | Х | Х | | Х | Х | Х | Х | Х | | |
| DC PSC | Х | Х | Х | Х | Х | Х | Х | Х | Х | Х | | |
| Florida PSC | Х | X ¹⁹ | X ¹⁹ | Х | | Х | X ¹⁹ | X ¹⁹ | Х | | | |
| Georgia PSC | Х | | | Х | | Х | | | Х | | | |
| Hawaii PUC ⁶ | Х | | | Х | | Х | | | Х | | | |
| Idaho PUC ⁶ | Х | 6 | | Х | 6 | Х | 6 | | Х | 6 | | |
| Illinois CC | Х | | | Х | | Х | | | Х | | | |
| Indiana URC | Х | Х | Х | Х | Х | Х | Х | Х | Х | Х | | |
| Iowa UB ¹⁸ | Х | | 15 | Х | | Х | | 15 | Х | | | |
| Kansas SCC | Х | X ⁴ | Х | Х | X ⁴ | Х | X ⁴ | Х | Х | X ⁴ | | |
| Kentucky PSC ⁶ | Х | | Х | Х | Х | Х | | Х | Х | Х | | |
| Louisiana PSC | Х | | | Х | | Х | | | Х | | | |
| Maine PUC | Х | Х | Х | Х | X ⁷ | Х | Х | Х | Х | X ⁷ | | |
| Maryland PSC | Х | X | X | X | | Х | X | Х | X | X | | |
| Massachusetts DPU | Х | 5 | | Х | 5 | Х | 5 | | Х | 5 | | |
| Michigan PSC | X ⁹ | | X ⁹ | X ⁹ | | X | | Х | X | | | |
| Minnesota PUC ⁶ | Х | | 15 | Х | | X | | | X | | | |
| Mississippi PSC | X | X ⁴ | | X | X ⁴ | X | X ⁴ | | X | X ⁴ | | |
| Missouri PSC | X | Λ | | X | Λ | X | Λ | | X | Λ | | |
| Montana PSC | X | Х | | X | Х | X | Х | | X | Х | | |
| Nebraska PSC ¹¹ | ~ | A | | X | ~ | ~ | ~ | | ~ | ~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~ | | |
| Nevada PSC ⁶ | Х | | 16 | Х | | Х | | 16 | Х | | | |
| New Hampshire PUC | X | X ³ | Х | X | | X | X ³ | Х | X | | | |
| New Jersey BPU ²⁰ | X | Λ | Λ | X | | X | Λ | Λ | X | | | |
| New Mexico PUC | X | 14 | Х | X | | X | 14 | Х | X | | | |
| New York PSC | X ¹⁰ | X ¹⁰ | Λ | X ¹⁰ | X ¹⁰ | X ¹⁰ | X ¹⁰ | ~ | X ¹⁰ | X ¹⁰ | | |
| North Carolina UC | X | ~ | | X | ~ | X | ~ | | X | ~ | | |
| North Dakota PSC | X | | | X | | X | | | X | | | |
| Ohio PUC | X | | | X | | X | | | X | | | |
| Oklahoma CC | X | | ~ | | | | | V | | | | |
| Oregon PUC | X | | Х | X | 7 | X X | | Х | X X | 7 | | |
| Pennsylvania PUC | | X ⁴ | | | | | V | | | | | |
| Rhode Island PUC | X X | | V | X | X ⁴ | X | X | V | X | X ⁴ | | |
| South Carolina PSC | | Х | Х | X | Х | X | Х | Х | Х | Х | | |
| South Dakota PUC | X | | | X | | Х | | | | | | |
| Texas PUC | X | ×12 | N/ | Х | | | ×12 | 24 | | | | |
| | Х | X ¹² | Х | | 24 | Х | X ¹² | Х | | ~4 | | |
| | | 6 | | Х | X ⁴ | | 6 | | Х | X ⁴ | | |
| Utah PSC | Х | | | X | 6 | Х | 6 | | Х | 6 | | |
| Vermont PSB | Х | Х | Х | Х | Х | Х | Х | Х | Х | Х | | |
| Virginia SCC ⁶ | | | | | | | | | | | | |
| Washington UTC | X | | | Х | | Х | | | Х | | | |

| | The Agency Has Authority To Regulate or Control Rates on Retail Sales to: | | | | | | | | | | |
|----------------------------------|---|----------------|-----------------------------|-------------------|----------------|--|----------------|------------------|---------|----------------|--|
| | F | | norities for ot for Resa | Public Us ale) | e | Federal Government (Not for Resale) | | | | | |
| | Electric | | | Gas | | Electric | | | Gas | | |
| Agency | Private | Public | Coop- erative | Private | Public | Private | Public | Coop- erative | Private | Public | |
| West Virginia PSC | Х | Х | Х | Х | Х | Х | Х | Х | Х | Х | |
| Wisconsin PSC | Х | Х | 8 | Х | Х | Х | Х | 8 | Х | Х | |
| Wyoming PSC | Х | X ⁴ | Х | Х | X ⁷ | Х | X ⁴ | Х | Х | X ⁷ | |
| Puerto Rico PSC | | | | | | | | | | | |
| Virgin Islands PSC ²⁰ | | Х | | | | | Х | | | | |
| National Energy Board | | | | | | | | | | | |
| Alberta EUB | Х | 13 | | Х | 14 | | | | | | |
| Nova Scotia UARB | Х | Х | X ⁷ | X ⁷ | X ⁷ | | | | | | |
| Ontario EB | | | | | | | | | | | |
| Quebec NGB | | | | Х | | | | | Х | | |

Table B4. Agency Authority To Regulate Rates on Retail Sales to Federal or Other Public Authorities—Electric and Gas

¹FERC has statutory jurisdiction over the power and transmission rates of Bonneville Power Admin. and over power and transmission rates of DOE's other power marketing agencies as delegated by Secretary of Energy. Rates for transmission of non-Federal electric power over Federal Columbia River Transmission System were effective upon confirmation and approval by FERC under the Federal Columbia River Transmission System Act.

²Publicly owned utilities regulated for service area. Full regulation imposed when competition exists between municipal and similar utility, or when public utility elects such regulation.

³Only outside municipal limits and only if rates charged are different from those charged within municipal limits.

⁴Only over services offered outside corporate limits.

⁵Only if earnings exceed 8 percent of original cost of plant in service or if discrimination between classes of customers.

⁶Municipal utilities exempt from State regulation.

⁷None in jurisdiction.

⁸Not unless co-op extends activities to include functions that make it a public utility under the statutes (except to portion of co-op service within incorporated municipality as a result of annexation).

⁹Commission jurisdiction excluded from rates covered by special agreements with municipalities.

¹⁰Jurisdiction over all rates either by tariff or contract.

¹¹Telephone is the only regulated utility, with jurisdiction limited to rate increases for basic exchange service of more than 10 percent during a 12-month period. Electric service is supplied by political subdivisions (public power districts), electric co-ops and municipal electric systems. Nebraska is unique in having no private power companies; all electric facilities are publicly- or member-owned. Natural gas is provided by private companies through franchise granted by each city, town or village.

¹²If municipality, appellate jurisdiction only. This Commission has original jurisdiction over four public authorities (River Authority).

¹³If for resale outside municipal boundaries. Pursuant to the Electric Utilities Act, the Board also approves the upstream costs for Edmonton Power, a municipally-owned electric utility.

¹⁴Only if the municipality petitions for regulation by Commission.

¹⁵Has authority only at the election of the cooperative.

¹⁶Rates of cooperatives providing services to members only are not regulated.

¹⁷May become deregulated upon majority vote of at least 15 percent of eligible members.

¹⁸Public electrics with less than 10,000 customers not subject to rate regulation; public gas utilities with less than 2,000 customers are subject to rate regulation only upon petition by customers.

¹⁹Rate structure only.

²⁰Commission did not respond to request for update information; this data may not be current.

Source: National Association of Regulatory Utility Commissioners, NARUC Compilation of Utility Regulatory Policy 1995-1996.