

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

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HOUSE BILL 206
Committee Substitute Favorable 5/11/21
Senate Agriculture, Energy, and Environment Committee Substitute Adopted 6/15/21

Short Title: Louisburg Economic Development Initiative. (Local)

Sponsors:

Referred to:

March 4, 2021

A BILL TO BE ENTITLED
AN ACT AUTHORIZING THE TOWN OF LOUISBURG TO USE REVENUE DERIVED
FROM RATES FOR ELECTRIC SERVICE FOR ECONOMIC DEVELOPMENT
PROJECTS THAT WILL INCREASE THE TOWN'S NUMBER OF ELECTRIC
CUSTOMERS OR ELECTRIC LOAD.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 159B-39 reads as rewritten:
"§ 159B-39. Permitted uses of revenue from electric power rates.

...
(b) The direct and indirect costs of operating the electric system include all of the
following:

...
(9) The development or redevelopment of properties, or activities related thereto, likely to increase the municipality's number of electric customers or electric load thereby leading to reduced electric service rates, improved economic development, job growth, or community improvement. Provided, however, a municipality may only use revenue derived from rates for electric service to pay costs identified under this subdivision if all of the following criteria apply: (i) the municipality's electric rates are within ten percent (10%) of the customer rates charged by any provider of electric service in a service area adjacent to the municipality during the fiscal year in which the cost is incurred; (ii) the municipality maintains in its electric enterprise fund moneys available to pay all costs necessary for operation of its electric system for a three-month period, which funds were not appropriated by the annual budget; and (iii) the municipality has a fully developed capital improvement plan that includes a funding source to replace assets depreciated by seventy-five percent (75%) or more.

...."

SECTION 2. This act applies to the Town of Louisburg only.

SECTION 3. This act is effective when it becomes law and (i) applies to the use of revenue derived from rates for electric service to pay costs identified in G.S. 159B-39(b)(9), as enacted by Section 1 of this act, on or after that date and (ii) expires July 1, 2031.



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