

By: McCoy

To: Local and Private
Legislation

HOUSE BILL NO. 1716

1 AN ACT TO AUTHORIZE THE CITY OF BOONEVILLE AND THE TOWN OF
2 RIENZI TO ENTER INTO AN AGREEMENT PROVIDING FOR THE SALE OF
3 NATURAL GAS AND RELATED SERVICES BY BOONEVILLE TO RIENZI; AND FOR
4 RELATED PURPOSES.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

6 SECTION 1. (1) In order to promote the public convenience
7 and welfare of the citizens of the City of Booneville,
8 Mississippi, and the Town of Rienzi, Mississippi, the governing
9 authorities of the City of Booneville and the Town of Rienzi, in
10 their discretion, may enter into an agreement providing for the
11 sale of natural gas by the City of Booneville to the Town of
12 Rienzi and for the performance of main line system maintenance
13 services by the City of Booneville for the Town of Rienzi for any
14 area for which a certificate of public convenience and necessity
15 for such gas service has been issued to the Town of Rienzi by the
16 Public Service Commission. However, before an agreement executed
17 pursuant to this act may become effective, a joint resolution of
18 the governing authorities of the City of Booneville and the Town
19 of Rienzi setting forth the agreement in its entirety must be
20 adopted by and entered into the minutes of the governing
21 authorities of both the City of Booneville and the Town of Rienzi.

22 (2) Any agreement executed by the City of Booneville and the
23 Town of Rienzi pursuant to this act must include provisions
24 addressing the following:

25 (a) The City of Booneville must agree to allow a
26 metered connection by the Town of Rienzi to Booneville's natural
27 gas system main line at a mutually agreed upon location, as

28 specified in the agreement, for the purpose of the sale of natural
29 gas by the City of Booneville to the Town of Rienzi.

30 (b) The City of Booneville must agree to sell, and the
31 Town of Rienzi must agree to buy, all natural gas flowing through
32 the meter at the location specified in the agreement for such
33 residential and commercial use as may be necessary to service the
34 natural gas certificated area, as granted unto the Town of Rienzi
35 by the Public Service Commission. The rate to be charged by the
36 City of Booneville to the Town of Rienzi for such natural gas must
37 be specified in the agreement.

38 (c) The City of Booneville must agree to provide, to
39 the extent of its abilities to do so, all reasonable and necessary
40 gas main line maintenance and line location within the
41 certificated area held by the Town of Rienzi. The City of
42 Booneville must agree to construct service lines within the Town
43 of Rienzi's certificated area, for such charge or charges
44 specified in the agreement, and the Town of Rienzi must agree to
45 provide the gas meters for service connections. The Town of
46 Rienzi must agree to be solely responsible for all other costs,
47 liabilities and obligations in connection with the operation of
48 its natural gas system, including, but not limited to, providing
49 for necessary road bores and obtaining and recording all necessary
50 easements. The Town of Rienzi must agree to fully indemnify and
51 hold harmless the City of Booneville, its employees, agents,
52 successors and assigns from any such costs, liabilities or
53 obligations of whatever nature or form.

54 (d) The agreement must be for a term of one (1) year
55 after becoming effective and may include a clause providing for
56 the automatic renewal of the agreement each year, unless cancelled
57 by either party, for successive periods of one (1) year each,
58 under the same terms and conditions set forth in the agreement.
59 The agreement shall require notice of cancellation to be given to
60 the opposite party no less than ninety (90) days before the
61 expiration of the current term. The agreement must specify the
62 manner by which such notice of cancellation must be tendered to
63 the opposite party.

64 (e) Any other matters deemed necessary or desirable by

65 both the City of Booneville and the Town of Rienzi.

66 (3) This act shall be full and complete authority for the
67 City of Booneville and the Town of Rienzi to render performance
68 pursuant to the terms and conditions of an agreement executed
69 under the authority granted by the act. While the authority
70 conferred by this act may not be construed as an exemption from
71 the provisions of Chapter 3, Title 77, Mississippi Code of 1972,
72 relating to the requirements of obtaining a certificate of public
73 convenience and necessity, the jurisdiction of the Public Service
74 Commission to regulate rates or any other provisions of that
75 chapter, all powers necessary to be exercised in order to carry
76 out the intent of this act are conferred on the governing
77 authorities of the City of Booneville and the Town of Rienzi.

78 SECTION 2. This act shall take effect and be in force from
79 and after its passage.