

By: Representative Ellis

To: Public Utilities

COMMITTEE SUBSTITUTE  
FOR  
HOUSE BILL NO. 1089

1 AN ACT TO AUTHORIZE THE PUBLIC SERVICE COMMISSION TO TRANSFER  
2 A PORTION OF A PUBLIC UTILITY'S CERTIFICATED AREA TO ANOTHER  
3 PUBLIC UTILITY PROVIDING SERVICE IN AN ADJACENT CERTIFICATED AREA,  
4 WITH CERTAIN EXCEPTIONS, UPON CERTAIN DETERMINATIONS MADE BY THE  
5 COMMISSION; TO AMEND SECTION 77-3-12, MISSISSIPPI CODE OF 1972, IN  
6 CONFORMITY TO THE PROVISIONS OF THIS ACT; AND FOR RELATED  
7 PURPOSES.

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

9 **SECTION 1.** The Public Service Commission, after a hearing  
10 and finding of economic feasibility, may cancel a portion of the  
11 certificated area contained in any public utility's certificate of  
12 public convenience and necessity, except within the corporate  
13 boundaries of the City of Starkville, and it may transfer that  
14 portion to another public utility providing service in an adjacent  
15 certificated area, if the commission determines all of the  
16 following:

17 (a) The public utility that holds a certificate for  
18 public convenience and necessity cannot serve a customer because  
19 of lack of infrastructure;

20 (b) A public utility providing service in an adjacent  
21 certificated area has infrastructure that would allow for service  
22 to a customer or customers with less cost; and

23 (c) The cost associated with not transferring the area  
24 would be burdensome to economic development including, but not  
25 limited to, residential, commercial and industrial development.

26 **SECTION 2.** Section 77-3-12, Mississippi Code of 1972, is  
27 amended as follows:

28 77-3-12. (1) Except as otherwise provided in Section 1 of  
29 this act, a certificate of public convenience and necessity issued



30 by the Public Service Commission authorizing public utility  
31 services to or for the public for compensation in an area grants  
32 an exclusive right to the public utility to provide that service  
33 in the certificated area.

34 (2) Nothing contained in subsection (1) of this section or  
35 any other provision of law shall prohibit any utility system from  
36 extending its system plant, lines or other facilities in or  
37 through the certificated area of another utility for purposes  
38 other than providing services to or for the public for  
39 compensation in such certificated area similar to those services  
40 provided by the certificated utility.

41 **SECTION 3.** This act shall take effect and be in force from  
42 and after July 1, 2009.

