

By: Senator(s) Hewes, Gollott, Cuevas,
Dawkins, Moffatt

To: Public Utilities

SENATE BILL NO. 2540

1 AN ACT TO AMEND SECTION 77-3-21, MISSISSIPPI CODE OF 1972, TO
2 AUTHORIZE THE PUBLIC SERVICE COMMISSION TO CANCEL THE CERTIFICATE
3 OF A WATER UTILITY IF THE HOLDER OF THAT CERTIFICATE HAS NOT
4 PROVIDED SERVICE OR SUBMITTED PLANS TO PROVIDE SERVICE WITHIN FIVE
5 YEARS AFTER BEING GRANTED THE CERTIFICATE; TO PROVIDE FOR NOTICE
6 AND HEARING BEFORE ANY CANCELLATION; AND FOR RELATED PURPOSES.

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

8 SECTION 1. Section 77-3-21, Mississippi Code of 1972, is
9 amended as follows:

10 77-3-21. (1) The commission may, after a hearing had upon
11 due notice, make any findings as may be supported by proof as to
12 whether any utility holding a certificate under * * * this article
13 is rendering reasonably adequate service in any area covered by
14 that utility's certificate. If the commission finds that the
15 utility is not rendering reasonably adequate service the
16 commission may enter an order specifying in what particulars the
17 utility has failed to render reasonably adequate service and order
18 that the failure be corrected within a reasonable time, such time
19 to be fixed in the order. If the utility so ordered to correct
20 the failure fails to comply with the order of the commission and
21 the commission finds that cancellation of its certificate would be
22 in the best interest of the consuming public served by the holder
23 of the certificate, the utility's certificate for the area
24 affected may be revoked and cancelled by the commission.

25 Prior to any municipality exercising the power of eminent
26 domain as provided in Section 77-3-17, the commission shall
27 determine that the certificate of public convenience and necessity
28 granted to the utility under Section 77-3-13 for the service area

29 wherein the facilities are located, shall be cancelled as provided
30 in this section. Nothing in this paragraph shall be construed to
31 include service for water and sewage.

32 (2) The commission may, after due notice and hearing, make
33 any findings which are supported by proof as to whether any water
34 utility holding a certificate under this article is providing
35 service in the area covered by that utility's certificate within
36 five (5) years following issuance of the certificate. If the
37 commission finds that the utility is not rendering service in the
38 area or any portion of the area covered by the certificate within
39 five (5) years after issuance of the certificate, the commission
40 may enter an order specifying the particulars of the lack of
41 service and order that (a) the utility correct the lack of service
42 within a reasonable time to be fixed in the order; or (b) the
43 utility submit a plan, including a schedule for providing service,
44 to the public utilities staff for providing service to the
45 unserved portions of the certificated area. If the utility fails
46 to comply with that order of the commission and the commission
47 finds that cancellation of the certificate for the entire area or
48 any portion of that area would be in the best interest of the
49 public, the utility's certificate for the entire area or any
50 portion of that area may be revoked and cancelled by the
51 commission.

52 SECTION 2. This act shall take effect and be in force from
53 and after July 1, 2001.