

By: Senator(s) Dawkins

To: Public Utilities

SENATE BILL NO. 2957

1 AN ACT TO AMEND SECTION 77-3-11, MISSISSIPPI CODE OF 1972, TO  
2 REQUIRE THE PUBLIC SERVICE COMMISSION TO PERFORM ECONOMIC  
3 VIABILITY DETERMINATIONS ON WATER AND SEWER UTILITIES BEFORE  
4 ISSUING A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO  
5 ASSURE AN ADEQUATE RATE SYSTEM; AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** Section 77-3-11, Mississippi Code of 1972, is  
8 amended as follows:

9 77-3-11. (1) No person shall construct, acquire, extend or  
10 operate equipment for manufacture, mixing, generating,  
11 transmitting or distributing natural or manufactured gas, or mixed  
12 gas, or water, for any intrastate sale to or for the public for  
13 compensation, or for the operation of a public utility operating a  
14 business and equipment or facilities as contemplated by  
15 subparagraph (iii) of paragraph (d) of Section 77-3-3, without  
16 first having obtained from the commission a certificate that the  
17 present or future public convenience and necessity require or will  
18 require the operation of such equipment or facility.

19 (2) No person shall construct, acquire, extend or operate  
20 equipment for manufacture, generating, transmitting or  
21 distributing electricity for any intrastate or interstate sale to  
22 or for the public for compensation without first having obtained  
23 from the commission a certificate that the present and future  
24 public convenience and necessity require or will require the  
25 operation of such equipment or facility. Provided, however,  
26 nothing herein contained shall be construed to require a joint  
27 municipal electric power agency organized in accordance with the  
28 provisions of Section 77-5-201 et seq., Mississippi Code of 1972,



29 to obtain any permit, license, certificate or approval from the  
30 Mississippi Public Service Commission.

31 (3) No person shall construct, acquire, extend or operate  
32 equipment or facilities for collecting, transmitting, treating or  
33 disposing of sewage, or otherwise operating an intrastate sewage  
34 disposal service, to or for the public for compensation, without  
35 first having obtained from the commission a certificate that the  
36 present or future public convenience and necessity require or will  
37 require the operation of such equipment or facilities.

38 (4) However, nothing herein shall be construed to require  
39 any certificate of convenience and necessity from the commission  
40 for the production and gathering of natural gas, the sale of  
41 natural gas in or within the vicinity of the field where produced,  
42 the distribution or sale of liquefied petroleum gas, the sale of  
43 natural gas to the ultimate consumer for use as a motor vehicle  
44 fuel, or for the facilities and equipment utilized in any such  
45 operations.

46 (5) Upon complaints filed by not less than ten percent (10%)  
47 of the total subscribers or three thousand five hundred (3,500)  
48 subscribers of a public utility, whichever is less, then the  
49 commission shall hold a hearing on the adequacy of service as  
50 contemplated in Section 77-3-21.

51 (6) With regard to utilities described in Section  
52 77-3-3(d)(iv), the commission shall perform economic viability  
53 determinations before issuing a certificate of public convenience  
54 and necessity to assure that the user charge (the formula used to  
55 determine the rates customer pay) is adequate to repay debt,  
56 operate and maintain the system, and able to provide for emergency  
57 repairs.

58 **SECTION 2.** This act shall take effect and be in force from  
59 and after July 1, 2002.

