

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2013

**H.B. 119**  
**Feb 19, 2013**  
**HOUSE PRINCIPAL CLERK**

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HOUSE DRH10059-LM-30A\* (02/06)

Short Title: Natural Gas/Rate Adjustment Mechanism. (Public)

Sponsors: Representatives Hager, Millis, Moffitt, and Arp (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT AUTHORIZING THE UTILITIES COMMISSION TO ADOPT, IMPLEMENT,  
3 MODIFY, OR ELIMINATE A RATE ADJUSTMENT MECHANISM FOR NATURAL  
4 GAS LOCAL DISTRIBUTION COMPANY RATES.  
5 The General Assembly of North Carolina enacts:  
6 SECTION 1. Article 7 of Chapter 62 of the General Statutes is amended by adding  
7 a new section to read as follows:  
8 **"§ 62-133.7A. Rate adjustment mechanism for natural gas local distribution company**  
9 **rates.**  
10 **In setting rates for a natural gas local distribution company in a general rate case**  
11 **proceeding under G.S. 62-133, the Commission may adopt, implement, modify, or eliminate a**  
12 **rate adjustment mechanism to enable the company to recover the prudently incurred capital**  
13 **investment and associated costs of complying with federal gas pipeline safety requirements,**  
14 **including a return based on the company's then authorized return. The Commission shall adopt,**  
15 **implement, modify, or eliminate a rate adjustment mechanism authorized under this section**  
16 **only upon a finding by the Commission that the mechanism is in the public interest."**  
17 SECTION 2. This act is effective when it becomes law.

