

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2011**

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**SENATE BILL 587**

Short Title: Study ElectriCities Relief. (Public)

Sponsors: Senators Newton; Brunstetter, Daniel, Forrester, Goolsby, Jackson, Rabon, and Rouzer.

Referred to: Commerce.

April 14, 2011

A BILL TO BE ENTITLED  
AN ACT CREATING THE MUNICIPAL POWER AGENCY RELIEF LEGISLATIVE  
STUDY COMMITTEE TO STUDY OPTIONS TO ALLEVIATE THE DEBT  
INCURRED BY THE JOINT MUNICIPAL POWER AGENCIES.

The General Assembly of North Carolina enacts:

**SECTION 1.** Findings. – The General Assembly finds that the thirty-two municipalities in the North Carolina Eastern Municipal Power Agency (NCEMPA) division of ElectriCities owe more than two billion two hundred million dollars (\$2,200,000,000) in bonded indebtedness; and the municipalities incurred the debt primarily to finance the building of nuclear power plants; and the municipalities own a percentage of the nuclear reactors located at the Shearon Harris Nuclear Plant and the Brunswick Power Plant; and the municipalities must charge their customers substantially higher electrical rates to finance this debt than the rates charged by other providers who service the surrounding areas; and the higher electrical rates impose a tremendous burden on the already challenged economies of these municipalities and the counties in which they are located.

**SECTION 2.(a)** Committee created. – There is created the Municipal Power Agency Relief Legislative Study Committee ("Committee"). The Committee shall consist of 12 members as follows:

- (1) Six members of the Senate, appointed by the President Pro Tempore of the Senate.
- (2) Six members of the House of Representatives, appointed by the Speaker of the House of Representatives.

**SECTION 2.(b)** The Committee shall:

- (1) Study potential options to provide relief to customers of the joint municipal power agencies from high electric rates, including:
  - a. The feasibility of refinancing or restructuring the debt of the power agencies.
  - b. The feasibility of selling assets of the municipalities or the power agencies to lower electric rates or the total amount of debt.
- (2) Study any other matters that the Committee deems relevant.
- (3) Make a final report to the 2012 Regular Session of the 2011 General Assembly that includes findings, recommendations, and legislative proposals relating to its study.

**SECTION 2.(c)** The Committee shall terminate upon filing its final report.



1           **SECTION 2.(d)** Vacancies on the Committee shall be filled by the appointing  
2 authority. The Committee shall choose from among its membership a chair and two vice-chairs.  
3 A quorum of the Committee shall be nine members.

4           The Committee, while in the discharge of its official duties, may exercise all powers  
5 provided for under G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4, including the power  
6 to request all officers, agents, agencies, and departments of the State to provide any  
7 information, data, or documents within their possession, ascertainable from their records, or  
8 otherwise available to them, and the power to subpoena witnesses.

9           The Committee may meet at any time upon call of the chairs. The Committee may  
10 meet in the Legislative Building or the Legislative Office Building. The Committee may  
11 contract for professional, clerical, or consultant services as provided by G.S. 120-32.02.

12           The Legislative Services Commission, through the Legislative Services Officer,  
13 shall assign professional staff to assist the Committee in its work. The House of  
14 Representatives' and Senate's Directors of Legislative Assistants shall assign clerical staff to the  
15 Committee, and the expenses relating to the clerical employees shall be borne by the  
16 Committee. Members of the Committee shall receive subsistence and travel expenses at the  
17 rates set forth in G.S. 120-3.1, 138-5, or 138-6, as appropriate.

18           **SECTION 3.** This act is effective when it becomes law.