

WEST VIRGINIA LEGISLATURE

2020 REGULAR SESSION

Introduced

Senate Bill 802

BY SENATOR SWOPE

[Introduced February 17, 2020; referred
to the Committee on Government Organization]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,
2 designated §24-1-10, relating to the regulation of public utilities generally; providing
3 legislative findings; providing that certain large volume end users may receive natural gas
4 service without the permission, consent, control, review, or input of the West Virginia
5 Public Service Commission; providing that the end user shall make certain certifications
6 to the commission; providing that the commission shall receive, file, and retain all end user
7 certifications; providing that no person, entity, or body shall be a public utility, intrastate
8 pipeline, common carrier, or otherwise subject to the jurisdiction of the commission as a
9 result of supplying such end users; and providing that provisions shall not prevent or
10 impede the commission's safety regulation of pipelines.

Be it enacted by the Legislature of West Virginia:

ARTICLE 1. GENERAL PROVISIONS.

§24-1-10. Direct Use of Natural Gas.

1 (a)(1) The Legislature hereby finds that consumers of natural gas with an annual gas
2 usage of at least 100 million cubic feet are sophisticated users of natural gas capable of choosing
3 their source of natural gas supply;

4 (2) The Federal Energy Regulatory Commission has approved bypass of local utilities and
5 permitted construction of interstate pipeline facilities to serve end use customers;

6 (3) The production and use of West Virginia natural gas in West Virginia will provide jobs
7 for West Virginians, generate additional income and property taxes for our governments and our
8 law and regulations should not impede use of West Virginia gas in West Virginia;

9 (4) The ability of large natural gas users to choose among gas suppliers without regulatory
10 supervision will save economic resources, foster competition in this state, and may induce new
11 businesses to locate in West Virginia and employ West Virginians; and

12 (5) Commission approval of natural gas service is unnecessary for consumers of natural
13 gas with an annual gas usage of at least 100 million cubic feet.

14 (b) Any person or entity not a natural gas utility customer with a projected annual natural
15 gas usage in West Virginia of at least 100 million cubic feet annually may receive natural gas
16 service from any person, corporation, limited liability company, or other entity without the
17 permission, consent, review, or input of the commission if the using person or entity notifies the
18 utility providing natural gas service in the area of use of its intent to receive service from a non
19 utility and certifies to the commission that: (i) The utility has been notified; (ii) its projected annual
20 gas usage will be at least 100 million cubic feet per year; (iii) it desires to receive natural gas from
21 a supplier other than a public utility; (iv) it will receive natural gas produced in West Virginia; and
22 (v) the name and West Virginia tax identification number of the supplier or suppliers are identified
23 in the certification.

24 (c) Notwithstanding any other provision of this code, no person, corporation, limited liability
25 company, or other entity shall be or become a public utility, intrastate pipeline, common carrier,
26 or otherwise subject to the jurisdiction of the commission from or in connection with purchasing,
27 using, selling, giving, buying, providing, transporting to or from, or otherwise supplying or using
28 natural gas pursuant to subsection (b) of this section: *Provided*, That this subsection shall not
29 prevent or impede the commission's safety regulation of natural gas pipelines pursuant to chapter
30 24B of this code.

31 (d) If a utility has an obligation to offer or provide service to an end user who elects its own
32 supply pursuant to this section, the obligation shall terminate upon the commission's receipt of a
33 certification provided by this section.

NOTE: The purpose of this bill is to permit direct service to large volume users of natural gas when the natural gas used is produced in West Virginia.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.