

103D CONGRESS
1ST SESSION

S. 635

To amend the Federal Power Act to protect consumers of multistate utility systems, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 23 (legislative day, MARCH 3), 1993

Mr. RIEGLE introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To amend the Federal Power Act to protect consumers of multistate utility systems, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be referred to as the “Multistate Utility
5 Company Consumer Protection Act of 1993”.

6 **SEC. 2. AFFILIATE CHARGES.**

7 (a) Section 205(a) of the Federal Power Act (16
8 U.S.C. 824d(a)) is amended—

9 (1) by inserting “(1)” immediately after “(a)”;

10 and

1 (2) by adding at the end the following:

2 “(2) Notwithstanding any provision of the Public
3 Utility Holding Company Act of 1935, if a public utility
4 engages in a transaction with an affiliated company, the
5 Commission shall have the authority to review and dis-
6 allow the costs associated with such transaction for the
7 purposes of determining a just and reasonable rate under
8 subsection (a)(1).”.

9 (b) Section 206(a) of the Federal Power Act (16
10 U.S.C. 824e(a)) is amended—

11 (1) by inserting “(1)” immediately after “(a)”;
12 and

13 (2) by adding at the end the following:

14 “(2) Notwithstanding any provision of the Public
15 Utility Holding Company Act of 1935, if a public utility
16 engages in a transaction with an affiliated company, the
17 Commission shall have the authority to review and dis-
18 allow the costs associated with such transaction for the
19 purposes of determining a just and reasonable rate under
20 subsection (a)(1).”.

21 **SEC. 3. TRANSFER OF AUTHORITY.**

22 There are hereby transferred to, and vested in, the
23 Federal Energy Regulatory Commission all of the func-
24 tions of the Securities and Exchange Commission under
25 the Public Utility Holding Company Act of 1935.

1 **SEC. 4. CONFORMING AMENDMENTS.**

2 (a) Section 2(a)(6) of the Public Utility Holding
3 Company Act of 1935 (15 U.S.C. 79b(a)(6)) is amended
4 to read as follows:

5 “(6) ‘Commission’ means the Federal Energy
6 Regulatory Commission.”.

7 (b) Section 12(i) of the Public Utility Holding Com-
8 pany Act (15 U.S.C. 791(i)) is amended by striking out
9 “or Federal Power Commission, or any member, officer,
10 or employee of either such Commission” in the first sen-
11 tence and inserting in lieu thereof “or any member, offi-
12 cer, or employee of the Commission”.

13 (c) Section 20(d) of the Public Utility Holding Com-
14 pany Act (15 U.S.C. 79t(d)) is repealed.

15 (d) Section 21 of the Public Utility Holding Company
16 Act of 1935 (15 U.S.C. 79u) is amended to read as fol-
17 lows:

18 “SEC. 21. Nothing in this title shall affect—

19 “(1) the jurisdiction of the Securities and Ex-
20 change Commission under the Securities Act of
21 1933, or the Securities Exchange Act of 1934 over
22 any person, security, or contract;

23 “(2) the rights, obligations, duties, or liabilities
24 of any person under the Securities Act of 1933 or
25 the Securities Exchange Act of 1934; or

1 “(3) the jurisdiction of any other commission,
2 board, agency, or officer of the United States (or of
3 any State or political subdivision of any State) over
4 any person, security, or contract.”.

5 (e) Section 32(a) of the Public Utility Holding Com-
6 pany Act is amended by striking out “and shall notify the
7 Commission whenever a determination is made under this
8 paragraph that any person is an exempt wholesale genera-
9 tor” in the fourth sentence.

10 (f) Section 318 of the Federal Power Act (16 U.S.C.
11 825q) is amended to read as follows:

12 “SEC. 318. If any person is subject to both—

13 “(1) a requirement of the Public Utility Hold-
14 ing Company Act of 1935 (or to a rule, regulation,
15 or order issued pursuant to the Public Utility Hold-
16 ing Company Act of 1935); and

17 “(2) a requirement of this title (or to a rule,
18 regulation, or order issued pursuant to this title)
19 with respect to the same subject matter, the Com-
20 mission shall consolidate consideration of the matter
21 into a single proceeding and resolve the matter in a
22 manner consistent with the purposes of both stat-
23 utes.”.

1 **SEC. 5. AFFILIATE TRANSACTIONS.**

2 (a) Section 13(b) of the Public Utility Holding Com-
3 pany Act of 1935 (15 U.S.C. 79m(b)) is amended by strik-
4 ing out “at cost” in the first sentence and inserting in
5 lieu thereof “at a price not to exceed cost”.

6 (b) Section 13(d) of the Public Utility Holding Com-
7 pany Act of 1935 (15 U.S.C. 79m(d)) is amended by strik-
8 ing out “at cost” in the second sentence and inserting in
9 lieu thereof “at a price not to exceed cost”.

10 **SEC. 6. INCREASED EFFICIENCY.**

11 Not later than 6 months after the date of enactment
12 of this Act, the Federal Energy Regulatory Commission
13 shall promulgate rules to eliminate duplication in the ad-
14 ministration of the Public Utility Holding Company Act
15 and the Federal Power Act.

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