



2023-2024 General Assembly

SENATE BILL 607: Regulatory Reform Act of 2024, Sec. 13: Natural Gas Local Distribution Companies Cost Recovery Modifications

Committee:
Introduced by:
Analysis of: Sec. 13 of S.L. 2024-45

Date: August 27, 2024
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***OVERVIEW:** Section 13 of S.L. 2024-45 amends statutes governing cost recovery for natural gas local distribution companies to provide that the Utilities Commission can authorize a rate adjustment mechanism for a company's recovery of costs to produce, purchase, and transport natural gas, which can include gas derived from renewable energy biomass resources. For purposes of the provision, "renewable energy biomass" includes agricultural waste, animal waste, wood waste, spent pulping liquors, organic waste, combustible residues, combustible gases, energy crops, landfill methane, or domestic wastewater. The company is prohibited, however, from recovering the incremental cost of natural gas attributable to renewable energy biomass resources that exceeds the average system cost of gas unattributable to renewable energy biomass resources.*

This section became effective July 9, 2024, and applies to rate case proceedings filed on or after that date.

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