

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2005**

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**HOUSE BILL 1406**

Short Title: Preserve Municipal Electric Service. (Public)

Sponsors: Representatives Holliman, Steen (Primary Sponsors); Barnhart, Current, Eddins, Jones, Ed Jones, Lewis, Lucas, McAllister, Setzer, Stam, Tolson, Vinson, and Wilkins.

Referred to: Rules, Calendar, and Operations of the House.

April 21, 2005

A BILL TO BE ENTITLED

AN ACT PROHIBITING UNNECESSARY ELECTRIC SERVICE LINES,  
PRESERVING CUSTOMERS RIGHT OF CHOICE IN ELECTRIC SERVICE,  
PRESERVING THE RIGHT TO SERVE CUSTOMERS, AND IMPOSING CIVIL  
PENALTIES UPON ELECTRIC SERVICE PROVIDERS FOR SERVING  
CUSTOMERS THEY ARE NOT AUTHORIZED TO SERVE.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 62-110.2(a)(2) reads as rewritten:

"(2) "Line" means any energized conductor for the distribution or transmission of electricity, other than

a. ~~In the case of~~For overhead construction, a an energized conductor from the pole nearest the premises of a consumer to ~~such the~~ premises, or a an energized conductor from a line tap to ~~such the~~ premises, and

b. ~~In the case of~~For underground construction, a an energized conductor from the transformer (or junction point, if there be one) nearest the premises of a consumer to ~~such the~~ premises."

**SECTION 2.** G.S. 160A-331(2) reads as rewritten:

"(2) "Line" means any energized conductor located inside the city for distributing or transmitting electricity, other than

a. For overhead construction, a an energized conductor from the pole nearest the premises of a consumer to ~~such the~~ premises, or a an energized conductor from a line tap to ~~such the~~ premises, and

b. For underground construction, a an energized conductor from the transformer (or the junction point, if there be one) nearest the premises of a consumer to ~~such the~~ premises."

1           **SECTION 3.** G.S. 160A-332(a) is amended by adding the following new  
2 subdivision to read:

3           "(6b) A primary or secondary supplier who serves or attempts to serve any  
4           premises initially requiring electric service after the determination and  
5           located within 300 feet of lines as described in subdivision (5) or (6) of  
6           this section without first apprising the consumer in writing that the  
7           consumer has a choice of supplier as required in subdivision (5) or (6)  
8           of this section shall lose the right to serve the premises."

9           **SECTION 4.** G.S. 160A-332 is amended by adding the following new  
10 subsection to read:

11           "(c) It shall be unlawful for an electric service provider to serve or attempt to  
12           serve a customer that it does not have the right to serve under the provisions of this  
13           section. An electric service provider who violates the provisions of this subsection shall  
14           be assessed a civil penalty of ten thousand dollars (\$10,000) for each violation."

15           **SECTION 5.** This act is effective when it becomes law.