

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

H

1

HOUSE BILL 2709

Short Title: No Mountaintop Removal Coal Mining. (Public)

Sponsors: Representatives Harrison, Luebke, Fisher (Primary Sponsors); Glazier, Insko, and Parmon.

Referred to: Public Utilities, if favorable, Environment and Natural Resources.

May 28, 2008

A BILL TO BE ENTITLED

AN ACT TO PROHIBIT ANY PUBLIC UTILITY THAT OPERATES A COAL-FIRED GENERATING UNIT LOCATED IN NORTH CAROLINA TO GENERATE ELECTRICITY FROM PURCHASING OR USING COAL EXTRACTED BY MOUNTAINTOP REMOVAL COAL MINING, TO PROVIDE FOR COST RECOVERY FOR ANY SUCH UTILITY OF ANY INCREMENTAL COSTS FOR PURCHASING OR USING COAL EXTRACTED BY SOME METHOD OTHER THAN MOUNTAINTOP REMOVAL COAL MINING, AND TO APPROPRIATE FUNDS.

The General Assembly of North Carolina enacts:

SECTION 1. Article 3 of Chapter 62 of the General Statutes is amended by adding a new section to read:

"§ 62-55. Prohibit the purchase or use of coal extracted by mountaintop removal coal mining for the generation of electricity.

(a) No investor-owned public utility that operates a coal-fired generating unit located in North Carolina to generate electricity shall purchase or use coal extracted by mountaintop removal coal mining.

(b) The Commission may adopt rules to implement this section.

(c) The following definitions apply in this section:

(1) Coal-fired generating unit. – Defined in G.S. 62-133.6.

(2) Investor-owned public utility. – Defined in G.S. 62-133.6.

(3) Mountaintop removal coal mining. – All types of surface coal mining in the steep terrain of the central Appalachian coalfields where removal of the rock above and between coal seams during the mining operation results in the generation of excess broken rock or earth that is disposed of outside and adjacent to the mining pit, such as in valleys or in earthen or rock disposal structures located in these valleys."

1 **SECTION 2.** Article 7 of Chapter 62 of the General Statutes is amended by
2 adding a new section to read:

3 **"§ 62-133.10. Cost recovery for incremental cost of certain coal mining methods.**

4 The Commission shall, upon petition of an electric public utility, approve an annual
5 rider to the electric public utility's rates to recover all reasonable and prudent
6 incremental costs incurred by each investor-owned public utility that operates a
7 coal-fired generating unit located in North Carolina for purchasing or using coal
8 extracted by a method other than the mountaintop removal coal mining prohibited by
9 rules adopted in accordance with G.S. 62-55."

10 **SECTION 3.** There is appropriated from the General Fund to the North
11 Carolina Utilities Commission the sum of sixty thousand dollars (\$60,000) for the
12 2008-2009 fiscal year for its costs to implement this act.

13 **SECTION 4.** This act becomes effective January 1, 2008.