

February 26, 2009

H 340. APPALACHIAN MOUNTAINS PRESERVATION ACT. Filed 2/26/09. *TO PRESERVE THE APPALACHIAN MOUNTAINS BY PROHIBITING ELECTRIC PUBLIC UTILITIES THAT OPERATE COAL-FIRED GENERATING UNITS LOCATED IN NORTH CAROLINA FROM PURCHASING OR USING COAL THAT IS EXTRACTED USING MOUNTAINTOP REMOVAL COAL MINING.*

Enacts a new Article 5B in GS Chapter 62 to be known as the *Appalachian Mountains Preservation Act*. Includes findings and purpose regarding the negative impact of mountaintop removal coal mining on the Appalachian Mountains.

Prohibits electric public utilities that operate coal-fired generating units in North Carolina from purchasing or using coal that is extracted by mountaintop removal coal mining. Authorizes the NC Utilities Commission (Commission) to adopt rules to implement proposed new Article 5B. Defines *coal-fired generating unit* as defined in GS 62-133.6 and *mountaintop removal coal mining* to mean any method of surface coal mining that removes a mountaintop or ridgeline, whether or not the mined area will be returned to its approximate original contour.

Requires each electric public utility that operates a coal-fired generating unit located in the state to secure the sworn statement of an authorized officer from the coal provider attesting that the coal the utility agrees to purchase or use was not, nor will be, extracted using mountaintop removal coal mining. Specifies information that must be included in the sworn statement.

Directs each public utility to provide the Commission, on the fifteenth of each month, a report itemizing its costs for purchasing or using coal extracted by a method other than mountaintop removal coal mining. Requires that as a part of its annual report, each electric public utility operating a coal-fired generator in NC submit to the Commission copies of each required sworn statement and each purchase contract. Provides additional guidelines regarding information regarding rate determinations, determining compliance, and confidentiality of information. Provides for penalties for any electric public utility company that is in violation of the prohibition against contracting to purchase or use coal extracted by mountaintop removal coal mining or in violation of the monthly or annual reporting requirements.

Enacts new GS 62-133.10 in Article 7 of GS Chapter 62 to provide for cost recovery through an annual rider for the incremental cost of purchasing or using coal extracted by a method other than mountaintop removal coal mining.

Effective January 1, 2010, and applies to contracts to purchase coal entered into on or after that date.

Intro. by Harrison.

GS 62