

House Bill 1031

By: Representatives Evans of the 83rd, Erwin of the 28th, McLaurin of the 51st, Williams of the 145th, Hitchens of the 161st, and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 46-2-25 of the Official Code of Georgia Annotated, relating to
2 procedure for changing any rate, charge, classification, or service and recovery of financing
3 costs, so as to prohibit the recovery of certain financing costs of the construction of nuclear
4 generation plants from public schools; to provide for a short title; to provide for related
5 matters; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 This Act shall be known and may be cited as the "Save School Money Act."

9 **SECTION 2.**

10 Code Section 46-2-25 of the Official Code of Georgia Annotated, relating to procedure for
11 changing any rate, charge, classification, or service and recovery of financing costs, is
12 amended by revising paragraph (1) of subsection (c.1) as follows:

13 "(c.1)(1) Notwithstanding any provision to the contrary, a utility shall recover from its
14 customers, as provided in this subsection, the costs of financing associated with the
15 construction of a nuclear generating plant which has been certified by the commission
16 prior to January 1, 2018. The financing charges shall accrue on all applicable certified
17 costs as they are recorded in the utility's construction work in progress accounts pursuant
18 to generally accepted accounting and regulatory principles as approved by the
19 commission. The financing costs shall be based on the utility's actual cost of debt, as
20 reflected in its annual surveillance report filed with the commission, and based on the
21 authorized cost of equity capital and capital structure as determined by the commission
22 when setting the utility's current base rates. These financing costs shall be recovered
23 from each customer through a separate rate tariff and allocated on an equal percentage
24 basis to standard base tariffs which are designed to collect embedded capacity costs;
25 provided, however, that such financing costs shall not be recovered from any customers

26 who are public schools, including schools under a local board of education and all state
27 charter schools. The financing costs not collected from such public schools shall not be
28 collected from other customers. The commission shall retain the discretion to consider
29 the effect of this tariff when setting the level of any senior or low income assistance it
30 may authorize; provided, however, that the income qualification for such assistance shall
31 be 200 percent of the federal poverty level."

32 **SECTION 3.**

33 All laws and parts of laws in conflict with this Act are repealed.