**South Carolina General Assembly**

121st Session, 2015-2016

**H. 3509**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. Allison, King, Hamilton, W.J. McLeod, Alexander, Anthony, G.A. Brown, Burns, Clary, Collins, Felder, Gagnon, Gambrell, Hayes, Henderson, Hiott, Long, D.C. Moss, V.S. Moss, Pitts, Putnam, Sottile, Stringer, Whitmire, Willis, Pope, Simrill, Mack and Bannister

Document Path: l:\council\bills\ggs\22716zw15.docx

Companion/Similar bill(s): 304

Introduced in the House on February 4, 2015

Currently residing in the House Committee on **Labor, Commerce and Industry**

Summary: Contracts to buy power

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

2/4/2015 House Introduced and read first time ([House Journal‑page 12](file:///h:\HJ%20Archive\2015\02-04-15.docx))

2/4/2015 House Referred to Committee on **Labor, Commerce and Industry** ([House Journal‑page 12](file:///h:\HJ%20Archive\2015\02-04-15.docx))

2/5/2015 House Member(s) request name added as sponsor: Pope, Simrill

2/10/2015 House Member(s) request name added as sponsor: Mack

2/11/2015 House Member(s) request name added as sponsor: Bannister

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**VERSIONS OF THIS BILL**

[2/4/2015](file:///p:\pprever\2015-16\3509_20150204.docx)

**A** **BILL**

TO AMEND SECTION 6‑23‑110, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO CONTRACTS TO BUY POWER BETWEEN A JOINT POWER AND ENERGY AGENCY AND ITS CONSTITUENT MUNICIPALITIES, SO AS TO PROVIDE FOR THE RENEWAL OR EXTENSION OF CONTRACTS TO BUY POWER FOR ADDITIONAL PERIODS NOT TO EXCEED FIFTY‑YEARS FROM THE DATE OF THE RENEWAL OR EXTENSION.

Whereas, the General Assembly finds and determines that in 1978, the General Assembly enacted the Joint Municipal Electric Power and Energy Act, codified as Chapter 23, Title 6, Code of Laws of South Carolina, 1976, as amended, for the purpose of authorizing municipalities to form joint agencies to undertake joint planning, financing, development, ownership and operation of electric generation and transmission facilities and that those joint undertakings would be for a public use and for public purposes and would be a means of achieving economies, adequacy and reliability in the generation of electric power and energy and in the meeting of future needs of this State and its inhabitants; and

Whereas, since the passage of the joint agency act in 1978, much has changed in the generation of electric power, including, but not limited to, the extension of the useful life of electric generating facilities by the applicable regulatory authorities; and

Whereas, since their inception, member municipalities and joint agencies have sought to match the useful life of generating facilities to the length of the contracts for the purchase of electric power from the joint agency; and

Whereas, there is presently a need to amend the joint agency act to more clearly state the method for extending and renewing contracts between joint agencies and member municipalities so they can better determine the appropriate duration of their contracts; and

Whereas, the passage of this act is for a public purpose and is in the best interest of the State and its citizens. Now, therefore,

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. The second paragraph of Section 6‑23‑110 of the 1976 Code, as last amended by Act 210 of 2004, is further amended to read:

“Notwithstanding the provisions of ~~any other~~another law to the contrary, the initial term for ~~any~~ such contracts with respect to the sale or purchase of capacity, output, power, or energy from a project may ~~extend~~ be for a period not ~~exceeding~~ to exceed the later of either fifty years from the date of the contract or fifty years from the date a project is estimated to be placed in normal continuous operation. ~~Upon approval of an extension of the date of operation of the project by all agencies having jurisdiction over such an extension, the term of the contract is extended for the same period unless either the joint agency or the member municipality seasonably determines otherwise.~~ These contracts may be renewed or extended by the joint agency and the member municipality, upon the terms and conditions on which the joint agency and the member municipality may agree, for an additional period not to exceed fifty years from the date of the renewal or extension. The execution and effectiveness of those contracts, renewals, or extensions of those contracts, are not subject to any authorizations or approvals by the State or ~~any~~an agency, commission, ~~or~~ instrumentality, or political subdivision ~~thereof~~of them.”

SECTION 2. This act takes effect upon approval by the Governor.

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