

THE GENERAL ASSEMBLY OF PENNSYLVANIA

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# HOUSE RESOLUTION

## No. 128

Session of  
1981

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INTRODUCED BY PRATT, NOVEMBER 17, 1981

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REFERRED TO COMMITTEE ON FEDERAL-STATE RELATIONS,  
NOVEMBER 17, 1981

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In the House of Representatives, November 17, 1981

1       WHEREAS, Wholesale electric rates charged by electric utility  
2 companies to the approximately 2,200 municipalities nationwide,  
3 including 34 in the Commonwealth of Pennsylvania, are regulated  
4 by the Federal Energy Regulatory Commission (FERC); and

5       WHEREAS, The FERC has permitted much higher utility rate  
6 increases to electric companies, raising the cost to the  
7 municipal power companies, which in turn, must resell electric  
8 service to municipal customers at a much higher rate, or absorb  
9 the increase; and

10       WHEREAS, The FERC is taking up to four years to make a  
11 decision on a rate hike request, allowing the utility to raise  
12 rates pending a decision; and

13       WHEREAS, Municipalities which provide electric utility  
14 service to their customers through the resale of wholesale  
15 electricity realize an annual profit which supplements their  
16 general fund revenues; and

1       WHEREAS, Electric utility companies are apparently attempting  
2 to force municipal power companies out of the electric business,  
3 which would in turn cause local tax increases or severe cuts in  
4 municipal services by the affected municipalities, or both; and

5       WHEREAS, The Pennsylvania Public Utility Commission has shown  
6 to be more reasonable than the FERC in considering rate increase  
7 requests by the utilities and process rate cases within nine  
8 months pursuant to the Public Utility Law; therefore be it

9       RESOLVED (the Senate concurring), That the General Assembly  
10 of the Commonwealth of Pennsylvania memorialize the President  
11 and the United States Congress to amend the Federal Power Act of  
12 1935 to repeal the jurisdiction by the FERC of the regulation of  
13 wholesale electric rates to municipalities and authorize the  
14 various State utility regulatory agencies, such as the  
15 Pennsylvania Public Utility Commission, to regulate such rates;  
16 and be it further

17       RESOLVED, That copies of this resolution be transmitted to  
18 the President of the United States and the President of the  
19 Senate and Speaker of the House of Representatives and to each  
20 Senator and Representative from Pennsylvania.