

**SENATE BILL NO. \_\_\_\_\_ HOUSE BILL NO. \_\_\_\_\_**

1 A BILL to amend and reenact § 56-234 of the Code of Virginia, relating to electric utilities; duty to furnish  
2 adequate service; high-demand customers.

3 **Be it enacted by the General Assembly of Virginia:**

4 **1. That § 56-234 of the Code of Virginia is amended and reenacted as follows:**

5 **§ 56-234. Duty to furnish adequate service at reasonable and uniform rates.**

6 A. It shall be the duty of every public utility to furnish reasonably adequate service and facilities  
7 at reasonable and just rates to any person, firm or corporation along its lines desiring same.

8 Notwithstanding any other provision of law:

9 1. A telephone company shall not have the duty to extend or expand its facilities to furnish service  
10 and facilities when the person, firm or corporation has service available from one or more alternative  
11 providers of wireline or terrestrial wireless communications services at prevailing market rates; and

12 2. A telephone company may meet its duty to furnish reasonably adequate service and facilities  
13 through the use of any and all available wireline and terrestrial wireless technologies; however, a telephone  
14 company, when restoring service to an existing wireline customer, shall offer the option to furnish service  
15 using wireline facilities.

16 For purposes of subdivisions 1 and 2, the Commission shall have the authority upon request of an  
17 individual, corporation, or other entity, or a telephone company, to determine whether the wireline or  
18 terrestrial wireless communications service available to the party requesting service is a reasonably  
19 adequate alternative to local exchange telephone service.

20 The use by a telephone company of wireline and terrestrial wireless technologies shall not be  
21 construed to grant any additional jurisdiction or authority to the Commission over such technologies.

22 For purposes of subdivision 1, "prevailing market rates" means rates similar to those generally  
23 available to consumers in competitive areas for the same services.

24 B. It shall be the duty of every public utility to charge uniformly therefor all persons, corporations  
25 or municipal corporations using such service under like conditions. However, no provision of law shall be

26 deemed to preclude voluntary rate or rate design tests or experiments, or other experiments involving the  
27 use of special rates, where such experiments have been approved by order of the Commission after notice  
28 and hearing and a finding that such experiments are necessary in order to acquire information which is or  
29 may be in furtherance of the public interest. The Commission's final order regarding any petition filed by  
30 an investor-owned electric utility for approval of a voluntary rate or rate design test or experiment shall  
31 be entered the earlier of not more than six months after the filing of the petition or not more than three  
32 months after the date of any evidentiary hearing concerning such petition. The charge for such service  
33 shall be at the lowest rate applicable for such service in accordance with schedules filed with the  
34 Commission pursuant to § 56-236. But, subject to the provisions of § 56-232.1, nothing contained herein  
35 or in § 56-481.1 shall apply to (i) schedules of rates for any telecommunications service provided to the  
36 public by virtue of any contract with, (ii) for any service provided under or relating to a contract for  
37 telecommunications services with, or (iii) contracts for service rendered by any telephone company to, the  
38 state government or any agency thereof, or by any other public utility to any municipal corporation or to  
39 the state or federal government. The provisions hereof shall not apply to or in any way affect any  
40 proceeding pending in the State Corporation Commission on or before July 1, 1950, and shall not confer  
41 on the Commission any jurisdiction not now vested in it with respect to any such proceeding.

42 C. The Commission may conclude that competition can effectively ensure reasonably adequate  
43 retail services in competitive exchanges and may carry out its duty to ensure that a public utility is  
44 furnishing reasonably adequate retail service in its competitive exchanges by monitoring individual  
45 customer complaints and requiring appropriate responses to such complaints.

46 D. An electric utility formed under or subject to Chapter 9.1 (§ 56-231.15 et seq.) may meet its  
47 duty to furnish reasonably adequate service through unregulated sales of electric power directly from one  
48 or more of its affiliates to any customer located within the cooperative's certificated service territory that  
49 contracts for electric utility services to serve a demand that is reasonably expected to exceed 90 megawatts.

50 E. Notwithstanding the provisions of subsection A, an electric utility may delay the provision of  
51 service to a customer with demand that is reasonably expected to exceed 90 megawatts if such delay is  
52 necessary to maintain electric grid reliability, to avoid exceeding available generation or transmission

53 capacity constraints, or to ensure compliance with load interconnection policies issued by the Federal  
54 Energy Regulatory Commission.

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