# **WEST VIRGINIA LEGISLATURE**

### **2022 REGULAR SESSION**

### Introduced

## Senate Bill 649

By Senator Nelson

[Introduced February 16, 2022; referred

to the Committee on the Judiciary]

A BILL to amend and reenact §24-2-1 of the Code of West Virginia, 1931, as amended, relating to requiring communication providers providing service in West Virginia or obtaining West Virginia area codes to register with the Public Service Commission; defining "communication provider"; and combining into one section, the two versions of this section that were amended during the regular session of the Legislature, 2021.

Be it enacted by the Legislature of West Virginia:

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### ARTICLE 2. POWERS AND DUTIES OF PUBLIC SERVICE COMMISSION.

#### §24-2-1. Jurisdiction of commission; waiver of jurisdiction.

- (a) The jurisdiction of the commission shall extend to all public utilities in this state and
   shall include any utility engaged in any of the following public services:
- (1) Common carriage of passengers or goods, whether by air, railroad, street railroad,
   motor, or otherwise, by express or otherwise, by land, water, or air, whether wholly or partly by
   land, water, or air;
- 6 (2) Transportation of oil, gas, or water by pipeline;
- 7 (3) Transportation of coal and its derivatives and all mixtures and combinations thereof 8 with other substances by pipeline;
- 9 (4) Sleeping car or parlor car services;
  - (5) Transmission of messages by telephone, telegraph, or radio; generation and transmission of electrical energy by hydroelectric or other utilities for service to the public, whether directly or through a distributing utility;
  - (6) Generation and transmission of electrical energy by hydroelectric or other utilities for service to the public, whether directly or through a distributing utility;
  - (7) Supplying water, gas, or electricity by municipalities or others: *Provided*, That natural gas producers who provide natural gas service to not more than 25 residential customers are exempt from the jurisdiction of the commission with regard to the provisions of the residential service: *Provided*, *however*, That upon request of any of the customers of the natural gas

producers, the commission may, upon good cause being shown, exercise authority as the commission may consider appropriate over the operation, rates, and charges of the producer and for the length of time determined proper by the commission: *Provided further*, That the provision of a solar photovoltaic energy facility located on and designed to meet only the electrical needs of the premises of a retail electric customer, the output of which is subject to a power purchase agreement (PPAs) with the retail electric customer, shall not constitute a public service, subject to the following conditions and limitations:

(i) PPAs must be 11-point font or larger.

(ii) The aggregate of all PPAs and net metering arrangements in the state for any utility shall not exceed three percent of the utility's aggregate customer peak demand in the state during the previous year:

(iii) There shall be individual customer onsite generator limits of designing the photovoltaic energy facility to meet only the electrical needs of the premises of the retail electric customer and which in no case may exceed 25kW for residential customers, 500 kW for commercial customers, and 2,000 kW for industrial customers;

(iv) Customers who enter into PPAs relating to photovoltaic facilities are to notify the utility of their intent to enter into a transaction. In response, the utility shall notify within 30 days if any of the caps have been reached. If the utility does not respond within 30 days, the generator may proceed, and the caps will be presumed not to have been reached; and

(v) The Public Service Commission may promulgate rules to govern and implement the provisions of interconnections for PPAs, except the PSC does not have authority over the power rates for the arrangements between the onsite generator and the customer;

(8) Sewer systems servicing 25 or more persons or firms other than the owner of the sewer systems: *Provided*, That if a public utility other than a political subdivision intends to provide sewer service by an innovative, alternative method, as defined by the federal Environmental Protection Agency, the innovative, alternative method is a public utility function and subject to the jurisdiction

45 of the Public Service Commission regardless of the number of customers served by the 46 innovative, alternative method; 47 (9) Any public service district created under the provisions of §16-13A-1 et seq. of this 48 code, except that the Public Service Commission will have no jurisdiction over the provision of 49 stormwater services by a public service district; 50 (10) Toll bridges located more than five miles from a toll-free bridge which crosses the 51 same body of water or obstacle, wharves, ferries; solid waste facilities; and 52 (11) Any other public service: Provided, That natural gas producers who provide natural 53 gas service to not more than 25 residential customers are exempt from the jurisdiction of the 54 commission with regard to the provisions of the residential service: *Provided, however*, That upon 55 request of any of the customers of the natural gas producers, the commission may, upon good 56 cause being shown, exercise such authority as the commission may deem appropriate over the 57 operation, rates, and charges of the producer and for such length of time as the commission may 58 consider to be proper. 59 (b) The jurisdiction of the commission over political subdivisions of this state providing separate or combined water and/or sewer services and having at least 4,500 customers and 60 61 annual combined gross revenues of \$3 million or more that are political subdivisions of the state 62 is limited to: 63 (1) General supervision of public utilities, as granted and described in §24-2-5 of this code; 64 (2) Regulation of measurements, practices, acts, or services, as granted and described in 65 §24-2-7 of this code; 66 (3) Regulation of a system of accounts to be kept by a public utility that is a political 67 subdivision of the state, as granted and described in §24-2-8 of this code; 68 (4) Submission of information to the commission regarding rates, tolls, charges, or 69 practices, as granted and described in §24-2-9 of this code;

(5) Authority to subpoena witnesses, take testimony, and administer oaths to any witness in any proceeding before or conducted by the commission, as granted, and described in §24-2-10 of this code; and

(6) Investigation and resolution of disputes between a political subdivision of the state providing wholesale water and/or wastewater treatment or other services, whether by contract or through a tariff, and its customer or customers, including, but not limited to, rates, fees, and charges, service areas and contested utility combinations: *Provided*, That any request for an investigation related to such a dispute that is based on the act or omission of the political subdivision shall be filed within 30 days of the act or omission of the political subdivision and the commission shall resolve said dispute within 120 days of filing. The 120-day period for resolution of the dispute may be tolled by the commission until the necessary information showing the basis of the rates, fees, and charges or other information as the commission considers necessary is filed: *Provided*, *however*, That the disputed rates, fees, and charges so fixed by the political subdivision providing separate or combined water and/or sewer services shall remain in full force and effect until set aside, altered, or amended by the commission in an order to be followed in the future.

(7) Customers of water and sewer utilities operated by a political subdivision of the state may bring formal or informal complaints regarding the commission's exercise of the powers enumerated in this section and the commission shall resolve these complaints: *Provided*, That any formal complaint filed under this section that is based on the act or omission of the political subdivision shall be filed within 30 days of the act or omission complained of and the commission shall resolve the complaint within 180 days of filing. The 180-day period for resolution of the dispute may be tolled by the commission until the necessary information showing the basis of the matter complained of is filed by the political subdivision: *Provided, however*, That whenever the commission finds any regulations, measurements, practices, acts, or service to be unjust, unreasonable, insufficient, or unjustly discriminatory, or otherwise in violation of any provisions of

this chapter, or finds that any service is inadequate, or that any service which is demanded cannot be reasonably obtained, the commission shall determine and declare, and by order fix reasonable measurement, regulations, acts, practices, or services, to be furnished, imposed, observed, and followed in lieu of those found to be unjust, unreasonable, insufficient, or unjustly discriminatory, inadequate, or otherwise in violation of this chapter, and shall make such other order respecting the same as shall be just and reasonable: *Provided further*, That if the matter complained of will affect rates, fees, and charges so fixed by the political subdivision providing separate or combined water and/or sewer services, the rates, fees, or charges shall remain in full force and effect until set aside, altered, or amended by the commission in an order to be followed in the future.

- (8) If a political subdivision has a deficiency in either its bond revenue or bond reserve accounts, or is otherwise in breach of a bond covenant, any bond holder may petition the Public Service Commission for such redress as will bring the accounts to current status or otherwise resolve the breached covenant, and the commission shall have jurisdiction to fully resolve the alleged deficiency or breach.
- (c) The commission may, upon application, waive its jurisdiction and allow a utility operating in an adjoining state to provide service in West Virginia when:
- (1) An area of West Virginia cannot be practicably and economically served by a utility licensed to operate within the state of West Virginia;
- (2) The area can be provided with utility service by a utility which operates in a state adjoining West Virginia;
- (3) The utility operating in the adjoining state is regulated by a regulatory agency or commission of the adjoining state; and
- (4) The number of customers to be served is not substantial. The rates the out-of-state utility charges West Virginia customers shall be the same as the rate the utility is duly authorized to charge in the adjoining jurisdiction. The commission, in the case of any such utility, may revoke its waiver of jurisdiction for good cause.

(d) Any other provisions of this chapter to the contrary notwithstanding:

(1) An owner or operator of an electric generating facility located or to be located in this state that has been designated as an exempt wholesale generator under applicable federal law, or will be so designated prior to commercial operation of the facility, and for which such facility the owner or operator holds a certificate of public convenience and necessity issued by the commission on or before July 1, 2003, is subject to §24-2-11c(e) through §24-2-11c(j) of this code as if the certificate of public convenience and necessity for the facility were a siting certificate issued under §24-2-11c of this code and is not otherwise subject to the jurisdiction of the commission or to the provisions of this chapter with respect to the facility except for the making or constructing of a material modification thereof as provided in §24-2-1(d)(5) of this code.

(2) Any person, corporation, or other entity that intends to construct or construct and operate an electric generating facility to be located in this state that has been designated as an exempt wholesale generator under applicable federal law, or will be so designated prior to commercial operation of the facility, and for which facility the owner or operator does not hold a certificate of public convenience and necessity issued by the commission on or before July 1, 2003, shall, prior to commencement of construction of the facility, obtain a siting certificate from the commission pursuant to the provisions of §24-2-11c of this code in lieu of a certificate of public convenience and necessity pursuant to the provisions of §24-2-11 of this code. An owner or operator of an electric generating facility as is described in this subdivision for which a siting certificate has been issued by the commission is subject to §24-2-11c(e) through §24-2-11c(j) of this code and is not otherwise subject to the jurisdiction of the commission or to the provisions of this chapter with respect to the facility except for the making or constructing of a material modification thereof as provided in §24-2-1(d)(5) of this code.

(3) An owner or operator of an electric generating facility located in this state that has not been designated as an exempt wholesale generator under applicable federal law prior to commercial operation of the facility that generates electric energy solely for sale at retail outside

this state or solely for sale at wholesale in accordance with any applicable federal law that preempts state law or solely for both sales at retail and sales at wholesale and that has been constructed and had engaged in commercial operation on or before July 1, 2003, is not subject to the jurisdiction of the commission or to the provisions of this chapter with respect to the facility, regardless of whether the facility subsequent to its construction has been or will be designated as an exempt wholesale generator under applicable federal law: *Provided*, That the owner or operator is subject to §24-2-1(d)(5) of this code if a material modification of the facility is made or constructed.

(4) Any person, corporation, or other entity that intends to construct or construct and operate an electric generating facility to be located in this state that has not been or will not be designated as an exempt wholesale generator under applicable federal law prior to commercial operation of the facility that will generate electric energy solely for sale at retail outside this state or solely for sale at wholesale in accordance with any applicable federal law that preempts state law or solely for both sales at retail and sales at wholesale and that had not been constructed and had not been engaged in commercial operation on or before July 1, 2003, shall, prior to commencement of construction of the facility, obtain a siting certificate from the commission pursuant to the provisions of §24-2-11c of this code in lieu of a certificate of public convenience and necessity pursuant to the provisions of §24-2-11 of this code. An owner or operator of an electric generating facility as is described in this subdivision for which a siting certificate has been issued by the commission is subject to §24-2-11c(e) through §24-2-11c(j) of this code and is not otherwise subject to the jurisdiction of the commission or to the provisions of this chapter with respect to the facility except for the making or constructing of a material modification thereof as provided in §24-2-1(d)(5) of this code.

(5) An owner or operator of an electric generating facility described in this subsection shall, before making or constructing a material modification of the facility that is not within the terms of any certificate of public convenience and necessity or siting certificate previously issued for the

facility or an earlier material modification thereof, obtain a siting certificate for the modification from the commission pursuant to the provisions of §24-2-11c of this code in lieu of a certificate of public convenience and necessity for the modification pursuant to the provisions of §24-2-11 of this code and, except for the provisions of §24-2-11c of this code, is not otherwise subject to the jurisdiction of the commission or to the provisions of this chapter with respect to the modification.

- (6) The commission shall consider an application for a certificate of public convenience and necessity filed pursuant to §24-2-11 of this code to construct an electric generating facility described in this subsection or to make or construct a material modification of the electric generating facility as an application for a siting certificate pursuant to §24-2-11c of this code if the application for the certificate of public convenience and necessity was filed with the commission prior to July 1, 2003, and if the commission has not issued a final order thereon as of that date.
- (7) The limitations on the jurisdiction of the commission over, and on the applicability of the provisions of this chapter to, the owner or operator of an electric generating facility as imposed by and described in this subsection do not affect or limit the commission's jurisdiction over contracts or arrangements between the owner or operator of the facility and any affiliated public utility subject to the provisions of this chapter.
- (e) The commission does not have jurisdiction of internet protocol-enabled service or voice-over internet protocol-enabled service, except as provided in subsection (f) of this section.

  As used in this subsection:
- (1) "Internet protocol-enabled service" means any service, capability, functionality, or application provided using internet protocol, or any successor protocol, that enables an end user to send or receive a communication in internet protocol format, or any successor format, regardless of whether the communication is voice, data, or video.
  - (2) "Voice-over internet protocol service" means any service that:
- (i) Enables real-time, two-way voice communications that originate or terminate from the user's location using internet protocol or a successor protocol; and

200	(ii) Uses a broadband connection from the user's location.
201	(3) The term "voice-over internet protocol service" includes any service that permits users
202	to receive calls that originate on the public-switched telephone network and to terminate calls on
203	the public-switched telephone network.
204	(f)(1) All communications providers providing service in West Virginia or obtaining West
205	Virginia numbering resources (area codes) from West Virginia shall file a registration form with
206	the commission. A communications provider which provides such service prior to July 1, 2022,
207	and which will continue to provide such service after July 1, 2022, shall register with the
208	commission no later than January 1, 2023. Any communications provider which begins to provide
209	service in West Virginia or seeks to obtain West Virginia numbering resources from West Virginia
210	after July 1, 2022, shall register with the commission prior to providing such service or obtaining
211	West Virginia numbering resources from West Virginia.
212	(2) The commission shall prescribe the registration form to be filed pursuant to this
213	section. Communications providers as defined in subdivision (5) of this section shall provide:
214	(A) The name, address, telephone number and email address of a contact person
215	concerning the federal Telecommunications Relay Service law and related surcharges, if
216	applicable.
217	(B) The name, address, telephone number and email address of a contact person
218	concerning the West Virginia Enhanced Wireless 911 Services law in §24-6-6b of this code and
219	related surcharges, if applicable; and
220	(C) The name, address, telephone number and email address of a contact person
221	concerning consumer complaints and inquiries.
222	(D) The areas in the state of West Virginia where the communications provider will be
223	providing service by county.
224	(3) Communications providers as defined in subdivision (5) of this section shall provide
225	the commission with the name, address, telephone number and email address of a person with

managerial responsibility for its West Virginia operations;

(4) The communications provider shall keep the information required by this section current and shall notify the commission of any changes to such information within 60 days after the change;

(5) For purposes of this section, "communications provider" means any entity that:

- (A) Uses telephone numbers or internet protocol addresses or their functional equivalent or successors to provide information of a user's choosing by aid of wire, cable, wireless, satellite, or other like connection, whether part of a bundle of services or offered separately, (i) which provides or enables real time or interactive voice communications; and (ii) in which the voice component is the primary function; or
- (B) Provides any service, whether part of a bundle of services or offered separately, used for transmission of information of a user's choosing regardless of the transmission medium or technology employed, that connects to a network that permits the end user to engage in electronic communications, including, but not limited to, service provided directly (i) to the public or (ii) to such classes of users as to be effectively available directly to the public; or
- (C) Provides telecommunication services as defined in the commission's *Rules for the Government of Telephone Utilities*.
- (g) Notwithstanding any other provisions of this article, the commission does not have jurisdiction to review or approve any transaction involving a telephone company otherwise subject to §24-2-12 and §24-2-12a of this code, if all entities involved in the transaction are under common ownership.
- (h) The Legislature finds that the rates, fees, charges, and ratemaking of municipal power systems are most fairly and effectively regulated by the local governing body. Therefore, notwithstanding any other provisions of this article, the commission does not have jurisdiction over the setting or adjustment of rates, fees, and charges of municipal power systems. Further,

251 the jurisdiction of the Public Service Commission over municipal power systems is limited to that

#### granted specifically in this code.

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NOTE: The purpose of this bill is to require communication providers providing service in West Virginia or obtaining area codes from West Virginia to register with the Public Service Commission. "Communication provider" is defined. This section was amended twice in two separate bills in 2021. The two versions have been combined. As a result, this version has been completely underscored as the section has basically been rewritten.

Strike-throughs indicate language that would be stricken from a heading or the present law, and underscoring indicates new language that would be added.