93rd Arkansas General Assembly: Gas Rates/Market Factors



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The 93rd Arkansas General Assembly convened for regular session on January 11th.

The pre-filing of bills and resolutions began on November 16th.

Senate Bill 136 ("SB 136") was introduced to amend:

Arkansas Code Ann. 23-15-103 Gas rates

The existing statutory provision addresses an obligation of a gas line or company providing a domestic or general service to the public to buy or furnish from the lowest or most advantageous market.

A new subsection is proposed to be added to provide factors that the Arkansas Public Service Commission may take into account for determining the lowest or most advantageous market which include:

1. Price;
2. Methodology of production;
3. Reliability of supply;
4. Impact on customer choice; and
5. Conditions associated with transportation or storage.

A caveat is provided that the Arkansas Public Service Commission may allow reasonable purchases of natural gas (or natural gas alternatives) as an operating expense if the purchase of natural gas or natural gas alternatives is in the public interest.

SB 136 is sponsored by Senator Irvin and Representative Pilkington.

The legislation was referred to the Senate Committee on Insurance and Commerce and is on its regular agenda scheduled for consideration on January 26th.

A copy of SB 136 can be downloaded here.