

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

SESSION LAW 2012-181
HOUSE BILL 1114

AN ACT PROVIDING THAT THE CITIES AND TOWNS THAT ARE MEMBERS OF THE NORTH CAROLINA EASTERN MUNICIPAL POWER AGENCY SHALL USE REVENUE DERIVED FROM RATES FOR ELECTRIC SERVICE FOR PAYING THE DIRECT AND INDIRECT COSTS OF OPERATING THE ELECTRIC SYSTEM, TRANSFERRING AMOUNTS THAT REPRESENT A RATE OF RETURN ON THE INVESTMENT IN THE ELECTRIC SYSTEM, AND MAKING DEBT SERVICE PAYMENTS, AND TO MAKE CLARIFYING CHANGES TO THE AMOUNT OF THE RETURN ON INVESTMENT TRANSFER.

The General Assembly of North Carolina enacts:

SECTION 1. Section 2 of S.L. 2011-129 reads as rewritten:

"SECTION 2. ~~This act only applies to the towns of Clayton, Selma, and Smithfield. This act applies only to the following cities and towns that are members of the North Carolina Eastern Municipal Power Agency: Apex, Ayden, Belhaven, Benson, Clayton, Edenton, Elizabeth City, Farmville, Fremont, Greenville, Hamilton, Hertford, Hobgood, Hookerton, Kinston, LaGrange, Laurinburg, Louisburg, Lumberton, New Bern, Pikeville, Red Springs, Robersonville, Rocky Mount, Scotland Neck, Selma, Smithfield, Southport, Tarboro, Wake Forest, Washington, and Wilson.~~"

SECTION 2. G.S. 159B-39(c), as enacted by S.L. 2011-129, reads as rewritten:

"(c) The total amount transferred to other funds of the municipality authorized as a rate of return on the investment of the municipality in the electric system ~~shall not exceed the amount allowed in this subsection. The amount to be transferred shall be calculated using amounts reported in the municipality's audited financial statements for the preceding fiscal year. The amount transferred may be less than the following, but in no event may the amount transferred exceed the greater of~~ ~~shall not exceed either~~ of the following:

- (1) Three percent (3%) of the gross capital assets of the electric system at the end of the preceding fiscal year.
- (2) Five percent (5%) of the gross annual revenues of the electric system for the preceding fiscal year."



SECTION 3. Section 1 of this act becomes effective July 1, 2014. The remainder of this act is effective when it becomes law.

In the General Assembly read three times and ratified this the 28th day of June, 2012.

s/ Walter H. Dalton
President of the Senate

s/ Thom Tillis
Speaker of the House of Representatives

s/ Beverly E. Perdue
Governor

Approved 4:56 p.m. this 12th day of July, 2012