

**§ 3201. Purposes; coverage****(a) Purposes**

The purposes of this chapter are to encourage—

- (1) conservation of energy supplied by gas utilities;
- (2) the optimization of the efficiency of use of facilities and resources by gas utility systems; and
- (3) equitable rates to gas consumers of natural gas.

**(b) Volume of total retail sales**

This chapter applies to each gas utility in any calendar year, and to each proceeding relating to each gas utility in such year, if the total sales of natural gas by such utility for purposes other than resale exceeded 10 billion cubic feet during any calendar year beginning after December 31, 1975, and before the immediately preceding calendar year.

**(c) Exclusion of wholesale sales**

The requirements of this chapter do not apply to the operations of a gas utility, or to proceedings respecting such operations, to the extent that such operations or proceedings relate to sales of natural gas for purposes of resale.

**(d) List of covered utilities**

Before the beginning of each calendar year, the Secretary shall publish a list identifying each gas utility to which this chapter applies during such calendar year. Promptly after publication of such list, each State regulatory authority shall notify the Secretary of each gas utility on the list for which such State regulatory authority has ratemaking authority.

(Pub. L. 95-617, title III, §301, Nov. 9, 1978, 92 Stat. 3149.)

**Statutory Notes and Related Subsidiaries**

## DEFINITIONS

The definition of Secretary in section 2602 of Title 16, Conservation, applies to this section.

**§ 3202. Definitions**

For purposes of this chapter—

- (1) The term “gas consumer” means any person, State agency, or Federal agency, to which natural gas is sold other than for purposes of resale.
- (2) The term “gas utility” means any person, State agency, or Federal agency, engaged in the local distribution of natural gas, and the sale of natural gas to any ultimate consumer of natural gas.
- (3) The term “State regulated gas utility” means any gas utility with respect to which a State regulatory authority has ratemaking authority.
- (4) The term “nonregulated gas utility” means any gas utility other than a State regulated gas utility.
- (5) The term “rate” means any (A) price, rate, charge, or classification made, demanded, observed, or received with respect to sale of natural gas to a gas consumer, (B) any rule, regulation, or practice respecting any such rate, charge, or classification, and (C)

any contract pertaining to the sale of natural gas to a gas consumer.

(6) The term “ratemaking authority” means authority to fix, modify, approve, or disapprove rates.

(7) The term “sale” when used with respect to natural gas, includes an exchange of natural gas.

(8) The term “State regulatory authority” means any State agency which has ratemaking authority with respect to the sale of natural gas by any gas utility (other than by such State agency).

(9) The term “integrated resource planning” means, in the case of a gas utility, planning by the use of any standard, regulation, practice, or policy to undertake a systematic comparison between demand-side management measures and the supply of gas by a gas utility to minimize life-cycle costs of adequate and reliable utility services to gas consumers. Integrated resource planning shall take into account necessary features for system operation such as diversity, reliability, dispatchability, and other factors of risk and shall treat demand and supply to gas consumers on a consistent and integrated basis.

(10) The term “demand-side management” includes energy conservation, energy efficiency, and load management techniques.

(Pub. L. 95-617, title III, §302, Nov. 9, 1978, 92 Stat. 3150; Pub. L. 102-486, title I, §115(a), Oct. 24, 1992, 106 Stat. 2803.)

**Editorial Notes**

## AMENDMENTS

1992—Pars. (9), (10). Pub. L. 102-486 added pars. (9) and (10).

**Statutory Notes and Related Subsidiaries**

## ADDITIONAL DEFINITIONS

Except as otherwise specifically provided, the definitions in section 2602 of Title 16, Conservation, apply to this chapter.

**§ 3203. Adoption of certain standards****(a) Adoption of standards**

Not later than 2 years after November 9, 1978 (or after October 24, 1992, in the case of standards under paragraphs (3),<sup>1</sup> and (4) of subsection (b)), each State regulatory authority (with respect to each gas utility for which it has ratemaking authority) and each nonregulated gas utility shall provide public notice and conduct a hearing respecting the standards established by subsection (b), and, on the basis of such hearing, shall—

(1) adopt the standard established by subsection (b)(1), if, and to the extent, such authority or nonregulated utility determines that such adoption is appropriate and is consistent with otherwise applicable State law, and

(2) adopt the standards established by paragraphs (2), (3)<sup>2</sup> (4), (5), and (6) of subsection (b), if, and to the extent, such authority or non-

<sup>1</sup> So in original. The comma probably should not appear.

<sup>2</sup> So in original. A comma probably should appear.