

RESOLUTION NO. 742 CMS

A RESOLUTION URGING FEDERAL POWER ACT REFORM

WHEREAS, the purpose of the Federal Power Act is to protect wholesale purchasers of electric energy from monopolistic abuse by regulated private power companies and assure the ultimate consumer of fair and reasonable prices, and

WHEREAS, recent decisions and policies adopted by the Federal Power Commission indicate that the Federal Power Act should be amended so its consumer-protection purpose may be fully realized:

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Oberlin, Lorain County, Ohio, five-sevenths (5/7ths) of all members elected thereto concurring:

SECTION 1. That the City of Oberlin urges the enactment of amendments to the Federal Power Act contained in HR 12608 and SB 3311 assuring fair treatment of wholesale purchasers of electric energy from private power companies. These amendments or actions should accomplish the following purposes:

1. No wholesale rate increase, or any part thereof, filed under Section 205 of the Federal Power Act, shall become effective until completion of hearings and a final order of the Commission.
2. Authority be given to the Commission to order wheeling over the transmission lines of jurisdictional utilities on reasonable terms and conditions.
3. The Commission be authorized to grant access to power pools for utilities wishing to participate as members of such power supply or planning entities.
4. The Commission be directed to monitor and audit fuel purchasing and the operation of fuel adjustment clauses of jurisdictional utilities and, on its own motion or that of an affected wholesale customer, correct any situation which is to be found anticompetitive in nature, represents less than arms-length bargaining for fuel procurement, or prohibits the use of the least expensive fuel.
5. Inclusion of construction-work-progress and use of future test years by jurisdictional utilities be prohibited in setting wholesale power rates.

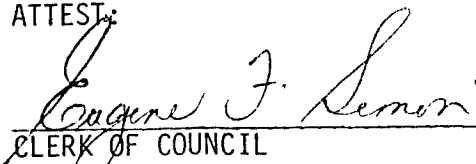
6. The Commission be authorized to (a) insure continuity of service to wholesale purchasers of power, (b) require jurisdictional utilities to report promptly any anticipated deficiencies of power, (c) require jurisdictional utilities projecting deficiencies to file curtailment plans which would require curtailment of retail customers by both the supplier and wholesale purchaser on proportionate, nondiscriminatory basis, and (d) order interconnections, pooling, wheeling, or transmission service, to alleviate projected deficiencies.


7. The Commission should reject any rate increase filing which places customers in a "price squeeze" situation whereby high wholesale rates may prevent a purchaser of wholesale power from competing at retail with its supplier.

SECTION 2. That the Resolution shall take effect at the earliest date allowed by law.

PASSED: 1st reading - May 17, 1976 - Emergency
2nd reading -
3rd reading -

ATTEST:


CLERK OF COUNCIL


CHAIRMAN OF COUNCIL

POSTED: May 18, 1976