

Bond Case Briefs

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City of Tchula v. Mississippi Public Service Com'n

Supreme Court of Mississippi - February 4, 2016 - So.3d - 2016 WL 453451

Private gas company, that operated gas-distribution systems for two cities as a public utility, sought rate increase for customers beyond one mile of city limits in each gas system it operated. The Public Service Commission granted the rate increase request, and the two cities appealed.

The Supreme Court of Mississippi held that the Commission lacked statutory rate-setting jurisdiction over municipally owned, but not operated, public utility gas distribution systems.

State Public Service Commission lacked statutory rate-setting jurisdiction over municipally owned, but not operated, public utility gas distribution systems; even though cities continued to supply gas outside one mile of their city limits after passage of the Public Utilities Act, they did not add to or enlarge their distribution or transmission systems beyond those that were in service prior to that date, and thus, remained exempt from Commission regulation.