

### ***Resolution on Reciprocity***

**WHEREAS**, Several bills have been introduced during the 105th Congress that propose to extend competition and customer choice to retail electricity markets heretofore regulated by State Public Utility Commissions; *and*

**WHEREAS**, The issue has arisen as to whether Federal legislation should contain a “reciprocity” provision, which would prohibit sellers of electricity located in states that do not allow retail access from selling to customers in states with retail access; *and*

**WHEREAS**, A Federally mandated reciprocity provision may result in harm to utility customers in states with retail access by removing potential suppliers of lower cost power; *and*

**WHEREAS**, A Federally mandated reciprocity provision may result in harm to utility customers in states without retail access by eliminating opportunities for off-system revenues that could be used to reduce customers’ rates; *and*

**WHEREAS**, The vast majority of the States are studying and considering revisions to regulatory policy, including the provision of retail access to alternative sources of power supply; *and*

**WHEREAS**, The National Association of Regulatory Utility Commissioners (NARUC) adopted in November 1996 a Resolution Regarding Electric Industry Restructuring Legislation, which states that “policy and implementation decisions related to retail electric service should be determined by the States”; *now, therefore, be it*

**RESOLVED**, By the Executive Committee of the National Association of Regulatory Utility Commissioners, convened at its 1997 Summer Meeting in San Francisco, California, that if any electric industry restructuring legislation is passed by the Congress, it should not prohibit sales by utility companies operating in States closed to retail competition to customers in other States.

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*Sponsored by the Committee on Electricity*

*Adopted July 23, 1997*