

54-4-31 Electrical corporation to issue securities only on consent of commission --

Exceptions -- Validity of securities.

- (1) Except as provided by Subsection (2) or (4), without prior written approval of the commission, no electrical corporation may:
 - (a) issue any security; or
 - (b) assume any obligation or liability as guarantor, endorser, surety, or otherwise, for any security of another person relating to the financing of pollution control revenue bonds.
- (2)
 - (a) Authorization of the commission is not required for the issuance or renewal of, or assumption of liability on, a note or draft if:
 - (i) the maturity date of the note or draft is not more than one year after the date of the issue, renewal, or assumption of liability; and
 - (ii) the aggregate value of the note or draft together with all other outstanding notes and drafts of a maturity of one year or less on which the public utility is primarily or secondarily liable is not more than 5% of the par value of the other outstanding securities of the public utility.
 - (b) In the case of securities having no par value, the par value for the purpose of this section is the fair market value as of the date of issue.
- (3) Any securities issued pursuant to an order entered by authority of this section shall be valid notwithstanding the outcome of any further proceedings, unless:
 - (a) application for stay is filed with a court of competent jurisdiction within five days following the issuance of the order; and
 - (b) a stay is entered by the commission or a court of competent jurisdiction within 10 days after the order is issued.
- (4) The commission may by rule, or by order pursuant to standards promulgated by rule, exempt any security, class of securities, electrical corporation, or class of electrical corporation from the requirement of Subsection (1), subject to any terms and conditions prescribed in the order or rule, if it finds that the application of Subsection (1) to the security, class of securities, electrical corporation, or class of electrical corporation is not required by the public interest.

Amended by Chapter 206, 1997 General Session