

Opinion No. 52-5597

October 3, 1952

BY: JOE L. MARTINEZ, Attorney General

TO: Mr. Don R. Casados, Commissioner New Mexico Public Service Commission
Santa Fe, New Mexico

{*310} Recently you inquired of this office whether the Public Service Commission has jurisdiction over all rates of public utilities, whole-sale or retail, and whether jurisdiction over rates of electric, gas and water utilities included special contract rates between public utilities and municipalities, government agencies or with other public utilities.

You observe in your inquiry that the Public Service Commission, by virtue of § 72-504, N.M.S.A., is prohibited from regulating the production or sales price of gas or petroleum at the well head.

It is my opinion that § 72-515 N.M.S.A. gives the Public Service Commission jurisdiction over contract rates between public utilities and municipalities, subject to the restrictions contained in that section and subject to any further restrictions contained in § 72-504, N.M.S.A., prohibiting the Commission from regulating rates by any utility owned and operated by any municipal corporation directly or through a municipally owned corporation.

It is my further opinion that § 72-504 N.M.S.A. confers jurisdiction upon the Commission to supervise service rates between public utilities and government agencies and rural users, which in the final analysis constitute one, or possibly different, classes of users, but nonetheless customers.

The same section of the statute gives jurisdiction to the Commission over any person, firm or corporation selling, furnishing or delivering gas, water or electricity to any utility for resale to or for the public to the extent necessary to enable the Commission to determine that the cost to such utility at the place where major distribution to the public begins shall be reasonable.

It is therefore my opinion that the Legislature intended to confer general and exclusive jurisdiction to the Public Service Commission to regulate every intrastate rate to be charged by public utilities for the services they render to the extent provided in Chapter 72-501, N.M.S.A., et sequitur.

I trust this fully answers your inquiry.