§ 15-1721. Reservation in the license; state control of rates and use and distribution of power.

1. Every license issued pursuant to title 17 of this article for a project shall contain a provision expressly reserving to the state the right to regulate and control the use and distribution of the power generated by any licensee, and to fix reasonable rates to be charged by the licensee under all circumstances for furnishing heat, light or power generated wholly or partly by the use of property covered by the license, and to regulate the service, capitalization and secured debt of the licensee and licensed project.

2. Jurisdiction is hereby conferred upon, and it shall be the duty of, the Public Service Commission to regulate and control the use and distribution of all power generated by any licensee under title 17 of this article, or generated by any person or public corporation, by the use and diversion for power purposes of any waters of the state in which the state has a proprietary right or interest, and to fix reasonable rates to be charged by such licensee, or such person or public corporation, for furnishing heat, light or power generated wholly or partly by the use of water in which the state has a proprietary right or interest. In the exercise of such jurisdiction the Public Service Commission shall give preference to municipalities in the use and distribution of power generated by such licensee or by such person or public corporation. To carry out the provisions of this section, and until otherwise provided by law, complaints, inspections, investigations, hearings, rules, regulations, orders and determinations may be made or had, and rules, regulations and orders enforced, in the manner, so far as applicable, provided in the Public Service Commission Law in respect of electrical corporations and of the manufacture, sale and distribution of electricity.

3. Every license issued pursuant to this article shall contain a condition that the development of power thereunder shall be subject to the control and authority of the Public Service Commission to the extent conferred upon such Commission by this section.