CHAPTER 49-04
DUTIES OF PUBLIC UTILITIES

49-04-01. Public utility to provide adequate service.

Every public utility shall furnish, provide, and maintain such service, instrumentalities, equipment, and facilities as shall promote the safety, health, comfort, and convenience of its patrons, employees, and the public, and as shall be in all respects adequate, convenient, just, and reasonable, and without any unjust discrimination or preference.

49-04-02. Reasonable charges for services and commodities of public utility.

All rates and charges made, demanded, or received by any public utility or by any two or more public utilities for any product or commodity furnished or to be furnished, or any service rendered or to be rendered, shall be just and reasonable. Every unjust and unreasonable rate or charge made, demanded, or received for such product, commodity, or service is prohibited and unlawful.

49-04-02.1. Customer deposits - Interest.

A public utility may require from a customer a deposit for service in accordance with commission rules. A public utility shall pay interest on all customer deposits for service held by such utility at a rate to be determined by the commission.

49-04-03. Violation of prescribed system of accounts unlawful.

When the commission shall have prescribed the forms for accounts, records, or memoranda to be kept by any public utility for any of its business, it thereafter shall be unlawful for such public utility to keep any accounts, records, or memoranda of such business other than those prescribed by the commission and those prescribed by or under authority of any other state or of the United States, with the exception of such accounts, records, or memoranda as shall be explanatory of and supplemental to the accounts, records, or memoranda prescribed by the commission.

49-04-04. Power of public utility to issue evidence of indebtedness.

The power of a public utility to issue stocks, bonds, notes, and other evidences of indebtedness or to create liens upon its property situated in this state, except such as are payable within one year from date of issue, is a special privilege and shall be exercised by such utility under the supervision, regulation, restriction, and control of the commission, subject to such rules and regulations as the commission may prescribe. This section does not apply to the issuance by public utilities of securities registered with the federal securities and exchange commission or to the issuance by public utilities of securities not involving any public offering.

49-04-05. Commission approval required to dispose of or encumber franchises, works, or systems - Exceptions.

A public utility may not dispose of, encumber, merge, or consolidate its franchise, works, or system necessary or useful in the performance of its duties to the public without prior commission approval. This section does not apply to:

1. Disposal or encumbrance of tangible property valued at less than five hundred thousand dollars.
2. Sale of securities registered with the federal securities and exchange commission.

49-04-06. Acquiring stock or membership interest or business of another utility - Authorization by commission.

No public utility, directly or indirectly, shall acquire the stock, membership interest, or business of any other corporation or limited liability company incorporated for or organized for or engaged in the same or a similar business or proposing to operate or operating under a franchise from the same or any other authority unless authorized to do so by the commission. No such transaction shall be binding upon the public without the approval of the commission.

49-04-07. Unreasonable preferences or advantages prohibited.

No public utility shall make or give any undue or unreasonable preference or advantage to any particular person, company, firm, corporation, limited liability company, or locality, or to any particular character of service in any respect whatsoever, nor subject any particular person, firm, corporation, limited liability company, company, or locality, or any particular character of service to any undue or unreasonable prejudice or disadvantage in any respect. No public utility corporation, directly or indirectly, by any special rate, rebate, drawback, or other device or method, shall charge, demand, collect, or receive from any person, firm, corporation, or limited liability company a greater or less compensation for any service rendered or to be rendered than it charges, demands, collects, or receives from any other person, firm, corporation, or limited liability company for doing a like and contemporaneous service under the same or substantially similar circumstances and conditions. Nothing in this chapter shall prohibit a public utility from entering into any reasonable agreement with its customers, consumers, or employees or from providing for a sliding scale of charges, unless the same is prohibited by the terms of the franchise or permit under which such public utility is operated. No such agreement or sliding scale shall be lawful unless and until the same shall be filed with and approved by the commission.

49-04-08. Certain discriminations allowed.

Repealed by S.L. 2025, ch. 433, § 2.

49-04-09. Long and short hauls.

Repealed by S.L. 2025, ch. 433, § 2.

49-04-10. Freight pooling.

Repealed by S.L. 2025, ch. 433, § 2.

49-04-11. Free passes restricted.

Repealed by S.L. 1975, ch. 431, § 9.

49-04-12. Free transportation authorized in certain cases.

Repealed by S.L. 1975, ch. 431, § 9.

49-04-13. Definitions.

Repealed by S.L. 1975, ch. 431, § 9.

49-04-14. Penalty for issuing free passes.

Repealed by S.L. 1975, ch. 431, § 9.

49-04-15. Public utility tax report - Furnished to commission on request.

Upon request of the commission, a public utility shall furnish to the commission a verified copy of the public utility's tax reports filed by it with the state tax commissioner. Such tax reports shall be admissible in evidence before the commission in any matter or proceeding or in any action or proceeding in any of the courts of this state.

49-04-16. Orders from commission - Observance by public utility.

Every public utility shall obey and comply with each requirement of every order, decision, direction, rule, or regulation made or prescribed by the commission in any matter in any way relating to or affecting its business as a public utility, and shall do everything necessary or proper in order to secure compliance with and observation of every such order, decision, direction, rule, or regulation by all of its officers, agents, and employees.

49-04-17. Reasonable rules and regulations by public utility.

All rules and regulations made by any public utility affecting or pertaining to its rates or services to the public shall be just and reasonable.

49-04-18. Public utility reports furnished to commission.

Every public utility shall furnish annually to the commission, at such time and in such form as the commission may require, a report in which the utility shall answer specifically all questions propounded by the commission upon or concerning which the commission may desire information to carry into effect the provisions of this title. The commission shall have the authority to require any public utility to file periodical or special reports concerning any matter about which the commission is authorized by this title to inquire or to keep itself informed, or which it is required to enforce. The reports shall be under oath when required by the commission.

49-04-19. Security interests against transmitting utilities - Filing instruments with secretary of state.

1. When used in this section, the term "transmitting utility" means persons, corporations, limited liability companies, or other legal entities, and lessees, trustees and receivers, now or hereafter operating, maintaining, or controlling in this state equipment or facilities for the production, generation, transmission, or distribution of electric or telecommunications services or the transmission or distribution of crude oil, gas, petroleum products, steam, or water by pipeline.
2. a. Notwithstanding the provisions of section 41-09-30 and sections 41-09-72 through 41-09-97, all filings required under the Uniform Commercial Code in order to perfect a security interest against the personal property or fixtures of a debtor transmitting utility shall be made and maintained only in the office of the secretary of state of North Dakota.
   b. When the financing statement covers goods of a transmitting utility as herein defined which are or are to become fixtures, no description of the real estate to which such fixtures are or may become attached is required.
   c. Filing of a financing statement against the property of a transmitting utility is effective until five years after the maturity date contained therein in the case of personal property and until fifteen years after the maturity date in the case of fixtures annexed to real property, or if no maturity date is contained therein, until released or terminated.
3. Unless displaced by the specific provisions of this section, the Uniform Commercial Code and other applicable laws remain in full force and effect and supplement the provisions of this section.

49-04-20. Notification before discontinuance of utility service.

1. A public utility shall provide notice to a customer of the utility's intention to discontinue utility service for payment delinquency in accordance with commission rules.
2. A public utility shall provide notice to a third party designated by a customer of the utility's intention to discontinue electric or natural gas service to the customer for payment delinquency. The customer shall designate the third party on a form provided by or approved by the public utility. The public utility may elect to provide notice to a designated third party by mail or electronic means. Notice by mail must be made not less than five days before discontinuance and notice by electronic means must be made not less than three days before discontinuance. A public utility is immune from civil liability for failing to provide notice or providing incorrect notice to a third party of its intention to discontinue utility service to a customer.