HB 103

An Act relating to the procurement of supplies, services, professional services, and construction for the Alaska Energy Authority; establishing the Alaska Railbelt energy fund and relating to the fund, relating to and repealing the Railbelt energy fund; relating to the quorum of the board of the Alaska Energy Authority; relating to the powers of the Alaska Energy Authority regarding employees and the transfer of certain employees of the Alaska Industrial Development Export Authority to the Alaska Energy Authority; relating to acquiring or constructing certain projects by the Alaska Energy Authority; and relating to the definition of "feasibility study" in the Alaska Energy Authority Act; providing an effective date.

Sectional Analysis

Section	Analysis
1	Amends AS 36.30.015(f) (the procurement code) to allow AEA to adopt regulations to govern AEA's procurement of supplies, services and construction. AEA regulations will be required to reflect competitive bidding principles; AEA would be given authority similar to other state corporations such as AHFC and KABATA
2	Amends AS 37.05.520 to explicitly allow the legislature to appropriate money from the Railbelt energy fund to a newly created Alaska Railbelt energy fund (AS 42.45.035)
3	Amends AS 39.25.110 to allow AEA to hire an executive director and other staff.
4	Adds new section 42.45.035 creating the Alaska Railbelt energy fund as a separate fund in AEA; Department of Revenue will be the fiduciary; allows AEA to use money in the fund for power projects, transmission lines and interties serving the Railbelt region.
5	Amends AS 44.83.040 (a) by defining that four, not three, AEA directors constitutes a quorum. The Board of Directors was expanded from five to seven members in 2010.
6	Adds new subsection AS 44.83.040 (e) allowing the authority to appoint persons as staff in the exempt service under AS 39.25
7	Amends AS 44.83.080 by allowing AEA to acquire and construct new power projects and to perform feasibility studies, and engineering and design, with respect to power projects
8	Adds new section AS 44.83.085 allowing AEA to create subsidiary corporations for the purpose of acquiring, constructing, owning, maintaining, operating, or financing power projects.
9	Adds new subsection AS 44.83.090 (c) allowing created subsidiaries to exercise powers granted to AEA.

10	Amends AS 44.83.396(a) to include how AEA administers newly acquired power projects in the operation of a power project
11	Adds new subsection AS 44.83.396 (f) to include subsidiary owned projects in the operation of a power project
12	Amends AS 44.83.990(3) by defining feasibility study to include new power projects
13	Repeals the Railbelt energy fund – AS 37.05.520
14	Revisor's instructions
15	Adds new section to uncodified law relating to the transfer of certain employees from AIDEA to AEA by providing a deadline of 12/31/2011
16	Provides a conditional effective date to the repeal of the Railbelt energy fund which will occur when the balance of the fund is appropriated and transferred to the new Alaska Railbelt Energy Fund or appropriated and expended for other purposes.
17	Immediate effective date for all sections except as provided in section 16

Prepared by AEA

January 26, 2011