



SENATE RAILBELT ELECTRIC SYSTEM COMMITTEE

Senator John Coghill, Chairman
Room 103, State Capitol
Juneau, AK 99801

Summary of Changes

From SB 123 version K to CS for SB 123 (RBE) work draft version E

Page 1, line 8: Creates new Article 9A in *AS 42.05, Alaska Public Utilities Regulatory Act*. Version E combines subsections into new sections for clarity.

Page 1, line 9: Creates new section 42.05.760, Electric reliability organizations; from former subsections (a), (b), (d), (e), and (f).

Page 1, line 12 to page 2, line 2:

Revises provision to clarify if all the utilities in an interconnected system are exempt from RCA rate regulation as municipal entities/instrumentalities of the state, the RCA may not require they form an ERO.

Page 2, line 8: Conforming change to new bill structure.

Page 2, lines 15, 18: Conforming change to new bill structure.

Page 2, line 25 to page 3, line 1:

Adds new provision to allow the RCA to certify an ERO for a network that doesn't qualify as a system.

Page 3, line 2: Creates new section, 42.05.762, Duties of an electric reliability organization; from former subsection (c).

Page 3, line 5, lines 10-11 and lines 13-14:

Changes 'interconnected bulk-electric system' to 'interconnected electric energy transmission network'.

Page 3, line 6: Conforming change to new bill structure.

Page 3, line 14: Conforming change to new bill structure.

Page 3, line 29: Creates new section 42.05.765, Reliability standards, from former subsections (g), (h), (i), (o) and (n).

Page 4, line 1, twice on lines 7-8, and line 14:

Changes ‘interconnected bulk-electric system’ to ‘interconnected electric energy transmission network’.

Page 4, line 10: Changes ‘cybersecurity protection’ to ‘protection from a cybersecurity incident’ to conform with the terms in the definitions section.

Page 4, line 15: Allows standards to result in, as long as they are not designed for the purposes of, requiring additions to facilities or new projects.

Page 4, line 18: Removes requirement for the RCA to hold a hearing before accepting a standard and removes references to RCA’s ability to reject a plan. This has the effect of applying existing statute on rejecting a tariff provision.

Page 4, line 22: Removes reference to rejecting a standard.

Page 5, lines 8-14: New provision to address potential conflicts between a Department of Defense standard required for a utility serving military bases and a standard adopted by the ERO.

Page 5, line 18: Creates new section 42.05.767, Rules, from former subsection (p).

Page 5, line 26: Creates new section 42.05.770, Regulations, from former subsection (q).

Page 5, lines 28-29: Conforming change to new bill structure.

Page 5, line 30 to page 6, line 2:

Amends provisions related to an open access transmission tariff. Requires that the RCA’s regulations require an ERO tariff to include standards for nondiscriminatory open access transmission and interconnection, and provisions for transmission system cost recovery.

Page 6, lines 8-11: Creates new section 42.05.772, Duties of load-serving entities, with a new provision clarifying that all load-serving entities, even those otherwise exempt from RCA regulation, are subject to the ERO’s tariff.

Page 6, line 12: Creates new section 42.05.775, Penalties; from former subsections (j), (k), (l) and (m).

Page 6, line 13-14, line 21 and lines 24-25:

Changes ‘interconnected bulk-electric system’ to ‘interconnected electric energy transmission network’.

Page 6, lines 28-29: Conforming change related to restructuring.

Page 7, line 4: Conforming change related to restructuring.

- Page 7, line 10: Changes ‘interconnected bulk-electric system’ to ‘interconnected electric energy transmission network’.
- Page 7, lines 19-20: Repositions the requirement for the RCA to review the process used to develop an integrated resource plan so that the consideration must be made before the RCA decides whether to approve, reject or modify a plan. Previously, the consideration was related to the modification of a plan (page 6, line 27).
- Page 8, line 8: Changes ‘submission’ to ‘filing’ to conform.
- Page 8, line 17: Added ‘for large energy projects’ to the section heading for project pre-approval.
- Page 8, lines 18-19 and lines 22-23: Changes ‘interconnected bulk-electric system’ to ‘interconnected electric energy transmission network’.
- Page 8, line 19: Clarifies that project pre-approval is required only for projects in a network served by an ERO.
- Page 8, line 29: Conforming to reference new section numbers.
- Page 9, lines 2-3: Exempts from the project pre-approval requirement hydro power projects licensed by FERC after Sept. 1, 2016, and before July 1, 2021.
- *Drafting error: Intent was to capture projects licensed before Sept. 30, 2016. Amendment pending.*
- Page 9, line 10 and page 9, line 31 to page 10, line 1: Changes ‘interconnected bulk-electric system’ to ‘interconnected electric energy transmission network’.
- Page 9, line 27: Creates new section 42.05.790, Definitions, from former bill section 2. With this change, terms are defined for the purposes of the new article related to EROs, and not throughout AS 42.05.
- Page 10, line 3: Conforming to reference new sections.
- Page 10, lines 6-7: Definition for interconnected bulk-electric system is modified to not include the ‘plant’ and to reference network definition.
- Page 10, lines 10-12: Definition of interconnected electric energy transmission network is modified to include the ‘plant’ originally in the bulk-electric system definition.
- Page 10, lines 17-18: Definition of load-serving entity is refined to require at least 10 bill-paying customers.
- Page 10, line 20: Changes ‘interconnected bulk-electric system’ to ‘interconnected electric energy transmission network’.