

# Representative Adam Wool

## Alaska State Legislature • District 5 Fairbanks



Chena Ridge • College • University West • Geist • UAF Campus • South Van Horn • Cripple Creek  
Richardson • Parks Highway • Airport • Dale • Lakeview

## CSHB 374 (L&C) Explanation of Changes

### Changes from Version J to HB 374 (ENE) (Version N)

#### **Page 1, lines 11-13**

**REWORDED** language to make it clear that if the utility enters into an on-bill financing agreement, they will be using a meter conservation charge and the charge may only be used to recover the costs listed.

#### **Page 1, line 10**

**INSERTED** “energy storage device” after “energy efficiency device”. This insertion is repeated 14 times wherever the list of eligible devices appears in the bill.

#### **Page 2, lines 6-9**

**REPLACED** Subsection (b). This new language allows for any building that is fully constructed and in use to qualify.

#### **Page 2, lines 2-5**

**ADDED** repayment of costs incurred by a third party, administrative and noticing costs to what a utility can recover on the Meter Conservation Charge.

#### **Page 2, lines 10-13**

**REMOVED** from subsection C the mandate that the percentage charged on the loan not be more than 2 points above prime.

#### **Page 5, lines 29-31**

**ADDED** repayment of costs incurred by a third party, administrative and noticing costs to the definition of Meter Conservation Charge.

#### **Page 6**

**DELETED** Section 2 which would have exempted utilities using on-bill financing from the Unfair Trade Practices Act.

## Explanation of Changes

### Changes from HB 374 (ENE) Version N to HB 374 (L&C) Version E

MOVED meter conservation charge language from section 42.05.750 to the meter conservation charge section (Page 2, lines 10-17) and DELETED meter conservation charge language unnecessarily repeated in the definition of meter conservation charge (Page 5, lines 6-7). Change requested by bill drafter – cosmetic change only.

Page 2, line 27 DELETED “AS 42.05.261,” (mistaken cross reference)

Page 3, lines 25-28 DELETED most of Sect. 42.05.754 Rental Property. With deletion, only landlords that are responsible for the entire utility bill can enter into an on-bill financing agreement for rental property; and tenants cannot enter into on-bill financing agreements at all.

This led to the following conforming DELETIONS:

- “a customer or landlord of” on Page 1, line 8;
- “or landlord” Page 2, line 19;
- “a tenant or subsequent tenant of the residence or building under AS 42.05.754.” Page 2, line 21;
- “a purchaser’s obligation to notify a tenant under AS 42.05.754 if the purchaser leases the property.” Page 3, line 16; and
- “or landlord of a utility customer” Page 4, line 27.

Page 2, lines 8-9 INSERTED language making it explicitly clear that the utility can choose what type of improvements the utility will finance under an on-bill program. This was the bill’s intent all along.

DELETED “an electric or gas distribution“ before “utility“ nine places in the bill (including the title). The change would allow a district heating utility to utilize on-bill financing.

Page 4, line 31 REWORDED definition of “energy conservation system“.

Version N: the new fuel switched to must be more efficient and not increase direct greenhouse gas emissions.

Version E: the new fuel still must not increase greenhouse gas emissions, and must either be more efficient OR cheaper.