

Representative Adam Wool

Alaska State Legislature • District 5 Fairbanks



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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.