

Konrad Jackson

From: Goering, Stuart W (LAW) [stuart.goering@alaska.gov]
Sent: Monday, April 18, 2011 6:21 PM
To: Konrad Jackson
Subject: RCA Public Meetings and Other Regulatory Initiatives

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Dear Konrad,

As we discussed, the RCA conducted a series of public meetings last fall and early winter to give regulated utilities and consumers an opportunity to address the commission on possible changes to the Public Utilities Regulatory Act (AS 42.05) and the commission's practice and regulations. In addition to listening to public input, the commissioners discussed their own perceptions of RCA practice and procedure, and began the process of setting priorities for addressing their own and the public's concerns. While no formal decisions were made during this process, the RCA accumulated significant public testimony, and identified a path for future commission actions. All of these meetings were recorded and transcribed, and are available to the public on the commission's web site.

These are the dates and subject matter of the public meetings:

August 25, 2010 -	Overview of RCA operations
September 8, 2010 -	Doing Business with the RCA
September 22, 2010 -	Focus on electric utilities
October 13, 2010 -	Focus on telecommunications industry
November 8, 2010 -	Focus on emerging regulatory issues
December 8, 2010 -	Focus on water and sewer utilities Focus on rural utilities (This meeting was held in Fairbanks, with three commissioners physically in attendance and two commissioners participating telephonically.)

Two major themes emerged from the comments of the regulated utilities: first, that under many circumstances the existing statutory timelines found in AS 42.05.175 are longer than desirable from the perspective of litigation expense and regulatory risk, which has an impact on investment; and second, that the RCA's procedures could be streamlined to better utilize the commission's scarce resources, particularly the time of commissioners and their advisory staff. Public comment included concerns with maintaining the commission's consumer protection role, improving public access to the RCA's process and continuing pursuit of initiatives to facilitate integration of renewable resources into the electric power system.

The commission opened a regulations docket on discovery (R-11-1) at their public meeting on January 26, 2011. The commission hosted a technical conference to discuss the subject with

practitioners on April 14, 2011. That conference was well-attended and the recommendations and observations of the participants are expected to be incorporated into draft regulations.

The commission also opened a docket (R-11-3) at the February 9, 2011, public meeting to solicit public input on possible regulations for water and wastewater utilities. The specific emphasis of the notice of inquiry was to “improve the quality and reduce the cost of regulation” for those utilities. A public comment period is currently open in this docket.

The commission is demonstrably quite busy and consequently cannot address every identified issue immediately. However, the commission has demonstrated that it values input from regulated utilities and the public. It is probably also clear from the Legislative Budget and Audit Report that the RCA is committed to improving the quality and efficiency of the agency’s operations. The legislature is wise to be interested and engaged as part of this process, but most if not all of the concerns expressed by individual legislators during the recent regular session had already been identified by the commission, and are well on their way to being addressed in regulation. To the extent that statutory amendments may be required to effectuate positive change, the commission, assisted by the Department of Law, is well-equipped to forward the necessary draft legislation.

Please let me know if you have questions or need additional information.

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