

**HOUSE BILL NO. 95**

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - FIRST SESSION

**BY REPRESENTATIVE BROWN**

**Introduced: 1/18/95**

**Referred: Labor and Commerce, Judiciary, Finance**

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to preferential utility rates for public institutional  
2 telecommunications users; and providing for an effective date."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 \* **Section 1.** AS 42.05.301 is amended to read:

5           Sec. 42.05.301. DISCRIMINATION IN SERVICE. Except as provided in  
6 AS 42.05.306 and 42.05.308, a public utility may not, as to service, make or grant an  
7 unreasonable preference or advantage to any person or subject any person to an  
8 unreasonable prejudice or disadvantage. A public utility may not establish or maintain  
9 or provide an unreasonable difference as to service, either as between localities or as  
10 between classes of service, but nothing in this section prohibits the establishment of  
11 reasonable classifications of service or requires unreasonable investment in facilities.

12 \* **Sec. 2.** AS 42.05 is amended by adding a new section to read:

13           Sec. 42.05.308. PUBLIC INSTITUTION ACCESS TO  
14 TELECOMMUNICATIONS SERVICES. (a) The commission shall adopt regulations

1 to

2 (1) enhance, to the extent technically feasible and economically  
3 reasonable, the availability to public institutional telecommunications users of  
4 telecommunications services and information services; and

5 (2) require telecommunications utilities to offer telecommunications and  
6 information services at preferential rates to public institutional telecommunications  
7 users.

8 (b) A public institutional telecommunications user that receives services at a  
9 preferential rate under this section may not resell the services and may not aggregate  
10 telecommunications services.

11 (c) In this section,

12 (1) "preferential rate" means the lowest rate that is consistent with  
13 recovering the long-run incremental cost or out-of-pocket cost, whichever is less, to  
14 telecommunications networks in offering services that are technically similar to those  
15 offered to a public institutional telecommunications user under this section; a  
16 preferential rate may not be more than the directly attributable cost of the service and  
17 may not contain a contribution to cover the joint or common costs of the provider;

18 (2) "public institutional telecommunications user" means

19 (A) a public school as defined in AS 14.60.010;

20 (B) a public library;

21 (C) a public broadcast station, including the rural Alaska  
22 television network;

23 (D) the University of Alaska.

24 \* **Sec. 3.** AS 42.05.391(a) is amended to read:

25 (a) Except as provided in AS 42.05.306 **and 42.05.308**, a public utility may  
26 not, as to rates, grant an unreasonable preference or advantage to any of its customers  
27 or subject a customer to an unreasonable prejudice or disadvantage. A public utility  
28 may not establish or maintain an unreasonable difference as to rates, either as between  
29 localities or between classes of service. A municipally owned utility may offer uniform  
30 or identical rates for a public utility service to customers located in different areas  
31 within its certificated service area who receive the same class of service. Any uniform

1 or identical rate shall, upon complaint, be subject to review by the commission and  
2 may be set aside if shown to be unreasonable.  
3 \* **Sec. 4.** This Act takes effect July 1, 1995.