

HOUSE BILL NO. 235

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - FIRST SESSION

BY THE HOUSE LABOR AND COMMERCE COMMITTEE BY REQUEST

Introduced: 4/4/97

Referred: Labor and Commerce

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to findings necessary before a certificate of public convenience
2 and necessity is issued to an electric utility under certain circumstances; and
3 relating to the definition of 'general public' with respect to the regulation of
4 electric utilities."

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

6 * **Section 1.** LEGISLATIVE INTENT. This Act states policy concerning electric utilities
7 only and does not apply to other types of utility service.

8 * **Sec. 2.** AS 42.05.221 is amended by adding a new subsection to read:

9 (g) The commission may not issue a certificate of public convenience and
10 necessity to an electric utility to offer retail electric service in an area in which another
11 utility is offering retail electric service under a certificate unless the commission finds
12 by clear and convincing evidence that the additional competitive electric service is in
13 the public interest, and that the result of adding the competitive service is not likely
14 to adversely affect the quality of service or the rates provided to retail electric utility

1 service customers in the certificated area.

2 * **Sec. 3.** AS 42.05.990(3) is amended to read:

3 (3) "public" or "general public" means

4 (A) a group of 10 or more customers that purchase the service
5 or commodity furnished by a public utility;

6 (B) one or more customers that purchase electrical service for
7 use within an area that is certificated to [AND PRESENTLY OR FORMERLY
8 SERVED BY] an electric utility if the total annual compensation **paid by**
9 **customers located within that certificated area to entities that provide**
10 **electrical service other than the certificated utility** [THAT THE
11 ELECTRICAL UTILITY RECEIVES FOR SALES OF ELECTRICITY]
12 exceeds \$50,000; and

13 (C) a utility purchasing the product or service or paying for the
14 transmission of electric energy, natural or manufactured gas, or petroleum
15 products that are re-sold to a person or group included in (A) or (B) of this
16 paragraph or that are used to produce the service or commodity sold to the
17 public by the utility;