

CS FOR HOUSE BILL NO. 81(URS)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY THE HOUSE SPECIAL COMMITTEE ON UTILITY RESTRUCTURING

Offered: 5/6/99

Referred: Labor and Commerce

Sponsor(s): REPRESENTATIVES ROKEBERG, Dyson

A BILL

FOR AN ACT ENTITLED

1 "An Act requiring the Alaska Public Utilities Commission to adopt regulations to
2 provide standards of operation and consumer protection in a competitive electric
3 service market; and providing for an effective date."

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

5 * **Section 1.** AS 42.05 is amended by adding a new section to read:

6 **Sec. 42.05.226. Electric consumer protections.** (a) As part of any general
7 proceeding to investigate electric industry restructuring, the commission shall establish
8 by regulation

9 (1) consumer protection standards to protect consumers in a competitive
10 electric service market;

11 (2) licensing requirements for electric service providers operating in a
12 competitive electric service market;

13 (3) procedures for the prompt, effective, and low-cost resolution of
14 consumer complaints against electric service providers operating in a competitive

1 electric service market;

2 (4) minimum safety standards and service criteria for electric service
3 providers operating in a competitive electric service market; and

4 (5) penalties for electric service providers operating in a competitive
5 electric service market who fail to comply with the requirements of this chapter.

6 (b) The consumer protection standards adopted under (a) of this section must
7 require electric service providers operating in a competitive electric service market to

8 (1) provide consumers with free basic information and free or
9 reasonably priced educational materials to enable consumers to compare the price,
10 quality, supplier service record, and terms of service offered by the electric service
11 provider with the offerings of other providers in the market; the commission shall
12 establish by regulation the information that must be provided without charge; that
13 information must include

14 (A) the name of the provider and information about how to
15 communicate with the provider, including emergency contact numbers;

16 (B) the type of service plans available and the cost of each type
17 of service plan;

18 (C) the procedure to change electric service providers;

19 (D) the area in which a provider sells its product;

20 (E) basic information on the provider itself, including the
21 number of years it has been in business and the number of customers it serves;

22 (2) offer electric service to any consumer in the area served by the
23 electric service provider so long as providing the service is technically feasible at a
24 reasonable cost to the provider;

25 (3) provide the same electric service choices and pricing options to all
26 consumers;

27 (4) maintain information and records, including records concerning
28 individual electric use patterns, about the electric service provider's consumers as
29 confidential records; if the electric service provider has both a regulated component
30 and an unregulated component, the provider shall keep the records of customers of one
31 component confidential from the provider's other component; however,

1 (A) an electric service provider may report information to the
2 commission so long as the information does not identify directly or indirectly
3 an individual consumer;

4 (B) information may be released to an alternate electric service
5 provider at the written request of the customer; for purposes of this
6 subparagraph, an alternate electric service provider includes a regulated or
7 unregulated component of an electric service provider that is otherwise not
8 entitled to have access to the information;

9 (5) meet the minimum safety standards and service criteria established
10 by the commission;

11 (6) meet its advertised terms and conditions;

12 (7) refrain from imposing unreasonable terms and conditions, including
13 service connect or disconnect fees, as a precondition to providing service that meets
14 generally accepted industry standards to a consumer in a competitive electric service
15 market.

16 (c) The commission shall adopt regulations to require electric service providers
17 operating in a competitive electric service market to continue to provide electric
18 service to residential consumers who demonstrate that economic hardship has
19 prevented payment in full of a delinquent bill. The regulations may require the
20 consumer to agree to a reasonable deferred payment plan and to comply with the plan.

21 (d) The commission shall adopt regulations to require a supplier or an
22 aggregator operating in a competitive electric service market to meet minimum
23 standards for certification as a condition of market entry. The commission shall, by
24 regulation, adopt the standards for certification; these standards must explicitly provide
25 for reliable and safe electrical power.

26 (e) The commission shall, by regulation, provide that an electric service
27 consumer in a competitive electric service market may receive only one periodic
28 billing for the provision of electric service to a location. The bill must set out
29 information in a clear and concise manner so that the consumer is informed about the
30 components of the bill, including charges associated with generation, transmission,
31 distribution, stranded cost allocation, universal service, and customer service. An

1 electric service provider that handles the billing for a customer shall permit other
2 electric service providers that supply, aggregate, or distribute electric power to the
3 customer to include information in the bill at nondiscriminatory rates.

4 (f) The commission shall, by regulation, require that, in a competitive electric
5 service market, a customer's electric service provider may only be changed with the
6 written authorization of the customer.

7 (g) The commission shall, by regulation, require reports from electric service
8 providers who are participating in a competitive electric service market and establish
9 the contents of the reports.

10 (h) This section may not be applied to result in a utility that is not otherwise
11 subject to economic regulation by the commission becoming subject to economic
12 regulation by the commission.

13 (i) In this section,

14 (1) "competitive electric service market" means a market or program
15 in which retail electricity customers are offered a choice of electric service provider,
16 whether on a permanent or limited basis or under a pilot program;

17 (2) "electric service provider" means a person or entity, including a
18 utility, a broker, a marketer, a wholesaler, or an aggregator, seeking to provide or
19 providing electric service to the public, or a portion of the public, whether or not for
20 compensation.

21 * **Sec. 2.** This Act takes effect immediately under AS 01.10.070(c).