

AMENDMENT # 7

Offered By Representative Davies

To: HCS CSSB 291 (FIN)

ADD

Section 9 is amended to read:

(a) To implement the provisions of sec. 14(a)(1), ch. 60, SLA 2000, regarding the fiscal year 2002 appropriation for power cost equalization, seven percent of the market value of the power cost equalization endowment fund (AS 42.45.070) as of February 1, 2001, is appropriated from that fund to the power cost equalization and rural electric capitalization fund (AS 42.45.100).

(b) The sum of \$1,100,000 is appropriated from the general fund to the power cost equalization and rural electric capitalization fund (AS 42.45.100).

(c) The sum of \$1,100,000 is appropriated from the power cost equalization and rural electric capitalization fund (AS 42.45.100) to the Department of Community and Economic Development for the power cost equalization program for the fiscal year ending June 30, 2002.

ADD

Section 15(a) is amended to read

(a) The appropriations made by secs. 5 and 9 **(a) and (b)** of this Act are for the capitalization of funds and do not lapse.

ADD

Section 16 is amended to read:

The appropriations s made by sec. 9 of this Act **are** [is] retroactive to July 1, 2001.

Section 9 (b) Capitalizes the fund

Section 9 (c) Authorizes payments

The Power Cost Equalization Program has been unable to fully meet its obligations throughout FY 2002, due to the continued high cost of fuel in rural areas.

The PCE program has prorated its obligations to the utilities. This appropriation to the fund, combined with the request for increased authorization, will allow the program to fully meet the anticipated FY 2002 obligations for the period of March to June 2002.

Failure to pass this supplemental request will result in continued proration of the program for the remainder of FY 2002. This supplemental needs a March 1, 2002, effective date in order to prevent proration to continue from March to June.