

SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 122

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE GREEN

Introduced: 2/21/01

Referred: Labor and Commerce, Judiciary

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to electric and telephone cooperatives, including expansion activities**
2 **and political activities of certain large electric and telephone cooperatives that are**
3 **exempt from regulation; and providing for an effective date."**

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

5 *** Section 1.** AS 10.25.010 is amended by adding new subsections to read:

6 (c) An unregulated electric or telephone cooperative that has more than 30,000
7 members may only include the cost of expansion activity in its rates to a member if the
8 cooperative, before including the cost in the rates,

9 (1) advised its members that a portion of the rates would be used for
10 expansion activities;

11 (2) identified for members how much of the rate would be used for
12 expansion activities;

13 (3) advised members that the cooperative would not discriminate
14 against or refuse to serve a member who opposed including the cost of expansion

1 activity in rates; and

2 (4) received approval of a majority of the cooperative's board of
3 directors for including the cost of expansion activity in rates.

4 (d) An unregulated electric or telephone cooperative that has more than 30,000
5 members may only include the cost of political activity in its rates to a member if the
6 cooperative, before including the cost in the rates,

7 (1) advised its members that a portion of the rates would be used for
8 political activities;

9 (2) identified for members how much of the rate would be used for
10 political activities;

11 (3) advised members that the cooperative would not discriminate
12 against or refuse to serve a member who opposed including the cost of political
13 activity in rates; and

14 (4) received approval of a majority of the cooperative's board of
15 directors for including the cost of political activity in rates.

16 (e) This section may not be construed to modify or change the provisions of
17 AS 15.13.

18 (f) In this section,

19 (1) "expansion activity" means an activity that is intended to attract
20 customers for service to an electric or telephone cooperative from customers of
21 another public utility;

22 (2) "political activity" means an activity intended to advocate for a
23 political or policy position not directly related to the certificated services of the
24 cooperative;

25 (3) "unregulated electric or telephone cooperative" means an electric
26 or telephone cooperative that is exempt from regulation under AS 42.05 under the
27 provisions of AS 42.05.711 and includes a cooperative that is subject to AS 42.05.221
28 - 42.05.281.

29 * **Sec. 2.** AS 42.05.381 is amended by adding a new subsection to read:

30 (k) An unregulated telephone or electric cooperative, as defined in
31 AS 10.25.010, that has more than 30,000 members may only include the cost of

1 expansion activity or political activity, as defined in AS 10.25.010, in its rates if it has
2 complied with AS 10.25.010.

3 * **Sec. 3.** This Act takes effect immediately under AS 01.10.070(c).