

HOUSE BILL NO. 520

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY THE HOUSE STATE AFFAIRS COMMITTEE

Introduced: 2/23/04

Referred: State Affairs, Labor and Commerce, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the expenses of investigation, hearing, or public advocacy before the
2 Regulatory Commission of Alaska, to calculation of the regulatory cost charge for public
3 utilities and pipeline carriers to include the Department of Law's costs of its public
4 advocacy function, to inspection of certain books and records by the attorney general
5 when participating as a party in a matter before the Regulatory Commission of Alaska;
6 and providing for an effective date."

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

8 * **Section 1.** AS 42.05.254(b) is amended to read:

9 (b) The commission shall by regulation establish a method to determine
10 annually the amount of the regulatory cost charge for a public utility. If the amount
11 the commission expects to collect under (a) of this section and under AS 42.06.286(a)
12 exceeds the authorized budgets [BUDGET] of the commission and the Department
13 of Law public advocacy function under AS 42.04.070(c) and AS 44.23.020(e), the

1 commission shall, by order, reduce the percentages determined under (h) of this
 2 section so that the total amount of the fees collected approximately equals the
 3 authorized **budgets** [BUDGET] of the commission **and the Department of Law**
 4 **public advocacy function under AS 42.04.070(c) and AS 44.23.020(e)** for the fiscal
 5 year.

6 * **Sec. 2.** AS 42.05.254(e) is amended to read:

7 (e) The commission shall administer the charge imposed under this section.
 8 The Department of Revenue shall collect and enforce the charge imposed under this
 9 section. The Department of Administration shall identify the amount of the operating
 10 **budgets** [BUDGET] of the commission **and the Department of Law public**
 11 **advocacy function under AS 42.04.070(c) and AS 44.23.020(e)** that **lapse**
 12 [LAPSES] into the general fund each year. The legislature may appropriate an
 13 amount equal to the lapsed amount to the commission **and to the Department of Law**
 14 **public advocacy function under AS 42.04.070(c) and AS 44.23.020(e)** for [ITS]
 15 operating costs for the next fiscal year. If the legislature does so, the commission shall
 16 reduce the total regulatory cost charge collected for that fiscal year by a comparable
 17 amount.

18 * **Sec. 3.** AS 42.05.254(h) is amended to read:

19 (h) The commission shall by regulation establish a method to determine
 20 annually the maximum percentage of adjusted gross revenue that will apply to each
 21 regulated public utility sector and the maximum percentage of gross revenue that will
 22 apply to the regulated pipeline carrier sector. **Other** [THE METHOD
 23 ESTABLISHED SHALL ALLOCATE THE COMMISSION'S COSTS, OTHER] than
 24 the cost of services provided to exempt utilities, **the method established shall**
 25 **allocate the commission's costs, and the Department of Law's certified costs of its**
 26 **public advocacy function under AS 42.04.070(c) and AS 44.23.020(e)**, among the
 27 regulated public utility sectors and the regulated pipeline carrier sector based on the
 28 relative amount of the commission's annual costs **and the Department of Law's**
 29 **certified costs** that is attributable to regulating each sector. **For purposes of this**
 30 **subsection, the Department of Law shall annually certify to the commission the**
 31 **costs of its public advocacy function under AS 42.04.070(c) and AS 44.23.020(e).**

1 * **Sec. 4.** AS 42.05.501 is amended by adding a new subsection to read:

2 (b) When participating as a party under AS 42.04.070(c) or AS 44.23.020(e),
3 the attorney general shall at all reasonable times have access to, and may designate
4 any of the attorney general's employees, agents, or consultants to inspect and examine,
5 the accounts, records, books, maps, inventories, appraisals, valuations, or other reports
6 and documents, kept by public utilities or their affiliated interests, or prepared or kept
7 for them by others, that relate to any contract or transaction between them.

8 * **Sec. 5.** AS 42.05.651 is amended by adding new subsections to read:

9 (c) Notwithstanding the commission's discretion under (a) of this section to
10 allocate costs to parties, the commission may not require a state agency to pay any
11 costs allocated to the state agency.

12 (d) When the attorney general participates in an adjudicatory proceeding
13 before the commission under AS 42.04.070(c) or AS 44.23.020(e), the utility whose
14 filing is the subject of the proceeding shall pay the costs of experts retained by the
15 attorney general for the proceeding. The utility shall make payment directly to the
16 expert. If the utility fails to pay the costs of an expert, the costs may be recovered by
17 suit by the attorney general on behalf of the state and deposited in the general fund.

18 * **Sec. 6.** AS 42.05.671(c) is amended to read:

19 (c) A person may make written objection to the public disclosure of
20 information contained in a record under the provisions of this chapter or of
21 information obtained by the commission **or by the attorney general** under the
22 provisions of this chapter, stating the grounds for the objection. When an objection is
23 made, the commission may not order the information withheld from public disclosure
24 unless the information adversely affects the interest of the person making written
25 objection and disclosure is not required in the interest of the public.

26 * **Sec. 7.** AS 42.06.286(b) is amended to read:

27 (b) The commission shall by regulation establish a method to determine
28 annually the amount of the regulatory cost charge. If the amount the commission
29 expects to collect under (a) of this section and under AS 42.05.254(a) exceeds the
30 authorized **budgets** [BUDGET] of the commission **and the Department of Law**
31 **public advocacy function under AS 42.04.070(c) and AS 44.23.020(e)**, the

1 commission shall, by order, reduce the percentage determined under (e) of this section
 2 so that the total amount of the fees collected approximately equals the authorized
 3 **budgets** [BUDGET] of the commission **and the Department of Law public**
 4 **advocacy function under AS 42.04.070(c) and AS 44.23.020(e)** for the fiscal year.

5 * **Sec. 8.** AS 42.06.286(c) is amended to read:

6 (c) The commission shall administer the charge imposed under this section.
 7 The Department of Revenue shall collect and enforce the charge imposed under this
 8 section. The Department of Administration shall identify the amount of the operating
 9 **budgets** [BUDGET] of the commission **and the Department of Law public**
 10 **advocacy function under AS 42.04.070(c) and AS 44.23.020(e)** that **lapse**
 11 [LAPSES] into the general fund each year. The legislature may appropriate an
 12 amount equal to the lapsed amount to the commission **and to the Department of Law**
 13 **public advocacy function under AS 42.04.070(c) and AS 44.23.020(e)** for [ITS]
 14 operating costs for the next fiscal year. If the legislature does so, the commission shall
 15 reduce the total regulatory cost **charge** [CHARGED] collected for that fiscal year by a
 16 comparable amount.

17 * **Sec. 9.** AS 42.06.440 is amended by adding a new subsection to read:

18 (b) Subject to AS 31.05.035(c), when participating as a party under
 19 AS 42.04.070(c) or AS 44.23.020(e), the attorney general shall at all reasonable times
 20 have access to, and may designate any of the attorney general's employees, agents, or
 21 consultants to inspect and examine, the accounts, records, books, maps, inventories,
 22 appraisals, valuations, or other reports and documents, kept by an oil or gas pipeline
 23 carrier or its affiliated interests, or prepared or kept for it by others, that relate to any
 24 contract or transaction between them. Costs incurred in complying with a request to
 25 review the records referred to in this subsection or to maintain those records in such a
 26 manner as to make them conveniently available for review shall be borne by the party
 27 controlling the records.

28 * **Sec. 10.** AS 42.06.445(d) is amended to read:

29 (d) A person may make written objection to the public disclosure of
 30 information contained in a record filed under the provisions of this chapter or of
 31 information obtained by the commission **or by the attorney general** under the

1 provisions of this chapter, stating the grounds for the objection. When an objection is
 2 made, the commission shall order the information withheld from public disclosure if
 3 the information adversely affects the interest of the person making written objection
 4 and disclosure is not required in the interest of the public.

5 * **Sec. 11.** AS 42.06.610 is amended by adding new subsections to read:

6 (d) Notwithstanding the commission's discretion under (a) and (b) of this
 7 section to allocate costs to parties, the commission may not require a state agency to
 8 pay any costs allocated to the state agency.

9 (e) When the attorney general participates in an adjudicatory proceeding
 10 before the commission under AS 42.04.070(c) or AS 44.23.020(e), the pipeline carrier
 11 or pipeline whose filing is the subject of the proceeding shall pay the costs of experts
 12 retained by the attorney general for the proceeding. The pipeline carrier or pipeline
 13 shall make payment directly to the expert. If the pipeline carrier or pipeline fails to
 14 pay the costs of an expert, the costs may be recovered by suit by the attorney general
 15 on behalf of the state and deposited in the general fund.

16 * **Sec. 12.** The uncodified law of the State of Alaska is amended by adding a new section to
 17 read:

18 **APPLICABILITY.** (a) AS 42.05.651(c), enacted by sec. 5 of this Act, and
 19 AS 42.06.610(d), enacted by sec. 11 of this Act, apply to orders issued by the Regulatory
 20 Commission of Alaska regardless of whether the related proceeding under AS 42.05 or
 21 AS 42.06 was begun before the effective date of this Act.

22 * **Sec. 13.** The uncodified law of the State of Alaska is amended by adding a new section to
 23 read:

24 **RETROACTIVITY.** The enactment of AS 42.05.651(c), made by sec. 5 of this Act,
 25 and of AS 42.06.610(d), made by sec. 11 of this Act, is retroactive to May 30, 2003.

26 * **Sec. 14.** The uncodified law of the State of Alaska is amended by adding a new section to
 27 read:

28 **REVISOR'S INSTRUCTION.** The revisor of statutes is instructed to change the
 29 heading of AS 42.05.501 from "Inspection of books and records by commission" to
 30 "Inspection of books and records."

31 * **Sec. 15.** This Act takes effect July 1, 2004.