

**SENATE BILL NO. 155**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIFTH LEGISLATURE - FIRST SESSION

BY THE SENATE LABOR AND COMMERCE COMMITTEE

Introduced: 4/16/07

Referred: Labor and Commerce, Community and Regional Affairs, Finance

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to the exemption of water and wastewater utilities of a political**  
2 **subdivision."**

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

4 **\* Section 1.** AS 42.05.711(b) is amended to read:

5 (b) Except as otherwise provided in this subsection and in (o) of this section,  
6 public utilities owned and operated by a political subdivision of the state, or electric  
7 operating entities established as the instrumentality of two or more public utilities  
8 owned and operated by political subdivisions of the state, are exempt from this  
9 chapter, other than AS 42.05.221 - 42.05.281 and 42.05.385. However,

10 (1) the governing body of a political subdivision may elect to be  
11 subject to this chapter; and

12 (2) a utility or electric operating entity that is owned and operated by a  
13 political subdivision and that directly competes with another utility or electric  
14 operating entity is subject to this chapter, and any other utility or electric operating

1 entity owned and operated by the political subdivision is also subject to this chapter;  
 2 this paragraph does not apply

3 (A) to a utility or electric operating entity owned and operated  
 4 by a political subdivision that competes with a telecommunications utility; or

5 (B) to a water or wastewater utility owned by a political  
 6 subdivision that does not directly compete with another water or  
 7 wastewater utility.

8 \* **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to  
 9 read:

10 EFFECT ON PENDING MATTERS BEFORE THE REGULATORY  
 11 COMMISSION. (a) On and after the effective date of this Act, the Regulatory Commission of  
 12 Alaska may continue to investigate and make determinations regarding any matter concerning  
 13 a water or wastewater utility exempt from AS 42.05 under AS 42.05.711(b)(2)(B), added by  
 14 sec. 1 of this Act, that is pending on the effective date of this Act. However, the authority of  
 15 the Regulatory Commission of Alaska to continue to investigate and make determinations  
 16 concerning a matter described in this subsection is limited to issues relating to the time period  
 17 before the effective date of this Act.

18 (b) A decision of the Regulatory Commission of Alaska in a tariff filing or rate case  
 19 affecting a water or wastewater utility exempted from AS 42.05 by AS 42.05.711(b)(2)(B)  
 20 that is pending on the effective date of this Act remains in effect until the governing body of  
 21 the water or wastewater utility completes a rate review process based on the utility's costs in a  
 22 test year.

23 (c) Nothing in this section limits the right of the utility to appeal any decision of the  
 24 Regulatory Commission of Alaska or of a court on a matter pending before the Regulatory  
 25 Commission of Alaska or the court.