

CS FOR SENATE BILL NO. 277(RES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - SECOND SESSION

BY THE SENATE RESOURCES COMMITTEE

Offered: 3/2/10

Referred: Judiciary

Sponsor(s): SENATE SPECIAL COMMITTEE ON ENERGY

A BILL

FOR AN ACT ENTITLED

1 **"An Act exempting from regulation by the Regulatory Commission of Alaska and by**
2 **municipalities certain generators of electricity from renewable energy resources that sell**
3 **electricity to regulated utilities."**

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

5 *** Section 1.** AS 29.35.070(a) is amended to read:

6 (a) The assembly acting for the area outside all cities in the borough and the
7 council acting for the area in a city may regulate, fix, establish, and change the rates
8 and charges imposed for a utility service provided to the municipality or its inhabitants
9 by a utility that is not subject to regulation under AS 42.05 unless that utility is
10 exempted from regulation under AS 42.05.711(a), (d) - (k), (o), [OR] (p), or (q), or is
11 exempted under regulations adopted under AS 42.05.810 from complying with all or
12 part of AS 42.05.141 - 42.05.721.

13 *** Sec. 2.** AS 42.05.711(l) is amended to read:

14 (l) A person, utility, joint action agency established under AS 42.45.310, or

1 cooperative that is exempt from regulation under (a), (d) - (k), [OR] (o), or (q) of this
2 section is not subject to regulation by a municipality under AS 29.35.060 and
3 29.35.070.

4 * **Sec. 3.** AS 42.05.711 is amended by adding a new subsection to read:

5 (q) A plant or facility that generates electricity entirely from renewable energy
6 resources, as that term is defined in AS 42.45.045, is exempt from regulation under
7 this chapter if

8 (1) the plant or facility is

9 (A) first placed into service on or after the effective date of this
10 subsection and before January 1, 2016; and

11 (B) does not generate more than 65 megawatts of electricity;

12 (2) the electricity generated by the plant or facility is sold only to one
13 or more public utilities that are regulated by the commission; and

14 (3) the person that owns the plant or facility has not received from the
15 state

16 (A) a grant that was used to generate the electricity from the
17 renewable energy resources; or

18 (B) a tax credit related to the generation of electricity from the
19 renewable energy resources.