

SENATE BILL NO. 143

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FIRST LEGISLATURE - SECOND SESSION

BY SENATOR BEGICH

Introduced: 1/21/20

Referred: Labor and Commerce, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to smart meters for natural gas or electric utility service."**

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

3 * **Section 1.** AS 42.05 is amended by adding a new section to article 3 read:

4 **Sec. 42.05.355. Smart meters.** (a) Except as provided in (b) of this section, a
5 utility furnishing natural gas or electrical service may install a smart meter on a
6 customer's premises if the utility sends written notice by first class mail, separate from
7 any billing mailing, to the customer's address at least 60 days before installing the
8 smart meter. The notice must

9 (1) state the intent of the utility to install a smart meter;

10 (2) explain the process for a customer to elect not to have a smart
11 meter installed under (b) of this section; and

12 (3) explain the fees the utility may charge a customer electing not to
13 have a smart meter installed under (c) of this section.

14 (b) A customer may elect not to have a smart meter installed, or require the
15 removal of a smart meter, by notifying the utility in writing.

1 (c) The commission shall set the maximum surcharge that a utility furnishing
 2 natural gas or electrical service may charge a customer who elects to have a smart
 3 meter removed or not to have a smart meter installed. The surcharge may include a
 4 one-time fee and a monthly fee reflective of the costs incurred by a utility to remove,
 5 install, read, maintain, or service the meter of a customer who elects to have a smart
 6 meter removed or not to have a smart meter installed. The commission may reduce or
 7 eliminate the surcharge under this subsection for individuals who qualify for a public
 8 assistance program under AS 43.23.240.

9 (d) A utility shall provide the commission with a copy of the written notice
 10 and a list of customers that were notified under (a) of this section.

11 (e) Unless required by court order or law, a utility furnishing natural gas or
 12 electrical service may not disclose a customer's energy use data from a smart meter to
 13 a third party without the written consent of the customer.

14 (f) A utility furnishing natural gas or electrical service shall ensure data from a
 15 smart meter is secured and securely transmitted so that the data cannot be intercepted
 16 by a person other than the utility.

17 (g) In this section, "smart meter" means a device that is capable of measuring
 18 energy use and recording, storing, and transmitting energy use data.

19 * **Sec. 2.** AS 42.05.711(b) is amended to read:

20 (b) Except as otherwise provided in this subsection and in (o) of this section,
 21 public utilities owned and operated by a political subdivision of the state, or electric
 22 operating entities established as the instrumentality of two or more public utilities
 23 owned and operated by political subdivisions of the state, are exempt from this
 24 chapter, other than AS 42.05.221 - 42.05.281, 42.05.355, and 42.05.385. However,

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

27 (2) a utility or electric operating entity that is owned and operated by a
 28 political subdivision and that directly competes with another utility or electric
 29 operating entity is subject to this chapter and any other utility or electric operating
 30 entity owned and operated by the political subdivision is also subject to this chapter;
 31 this paragraph does not apply to a utility or electric operating entity owned and

1 operated by a political subdivision that competes with a telecommunications utility.

2 * **Sec. 3.** AS 42.05.711(e) is amended to read:

3 (e) Notwithstanding any other provisions of this chapter, any electric or
4 telephone utility that does not gross **at least** \$50,000 annually is exempt from
5 regulation under **the provisions of** this chapter **other than AS 42.05.355**, unless the
6 subscribers petition the commission for regulation under AS 42.05.712(h).

7 * **Sec. 4.** AS 42.05.711(f) is amended to read:

8 (f) Notwithstanding any other provisions of this chapter, an electric or
9 telephone utility that does not gross **at least** \$500,000 annually may elect to be exempt
10 from the provisions of this chapter, other than AS 42.05.221 - 42.05.281 **and**
11 **42.05.355**, under the procedure described in AS 42.05.712.

12 * **Sec. 5.** AS 42.05.711(g) is amended to read:

13 (g) A utility, other than a telephone or electric utility, that does not gross **at**
14 **least** \$150,000 annually may elect to be exempt from the provisions of this chapter,
15 other than AS 42.05.221 - 42.05.281 **and 42.05.355**, under the procedure described in
16 AS 42.05.712.

17 * **Sec. 6.** AS 42.05.711(h) is amended to read:

18 (h) A cooperative organized under AS 10.25 may elect to be exempt from the
19 provisions of this chapter, other than AS 42.05.221 - 42.05.281 **and 42.05.355**, under
20 the procedure described in AS 42.05.712.