

Fiscal Note

State of Alaska
2020 Legislative Session

Bill Version:	CSSB 193(RES)
Fiscal Note Number:	1
(S) Publish Date:	3/17/2020

Identifier: SB193-LAW-CIV-3-6-20
 Title: ELECTRIC UTILITY LIABILITY
 Sponsor: COGHILL
 Requester: (S) Resources

Department: Department of Law
 Appropriation: Civil Division
 Allocation: Regulatory Affairs Public Advocacy
 OMB Component Number: 2764

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2021	Included in	Out-Year Cost Estimates					
	Appropriation Requested	Governor's FY2021 Request	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
OPERATING EXPENDITURES	FY 2021	FY 2021						
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time								
Part-time								
Temporary								

Change in Revenues

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2020) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2021) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
 If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

Not applicable. Initial version.

Prepared By:	Allison Radford, Special Assistant to the Commissioner	Phone:	(907)465-1042
Division:	Civil Division	Date:	03/06/2020
Approved By:	Valerie Rose, Acting Administrative Services Director	Date:	03/06/20
Agency:	Office of Management and Budget		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2020 LEGISLATIVE SESSION**Analysis**

SB 193 would provide complete immunity from civil liability for certain electrical utilities in the event of property damage, death, or personal injury resulting from contact between the utility's facilities and off-property vegetation. The utilities covered by this provision are those offering electric service to the public for compensation under a certificate of public convenience and necessity, issued under AS 42.05.221.

The immunity provision would not apply if the vegetation at issue is entirely within the bounds of property under the control of the utility, including easements or rights-of-way, and one of two additional conditions is met. The immunity provision would not apply if the utility either does not have a written vegetation management plan or policy or fails to substantially comply with the utility's written vegetation management plan or policy.

This bill would define "written vegetation management plan or policy" for the purpose of this section as a document that establishes a procedure for managing vegetation to protect reliability and safety of its electrical facilities. The immunity provision would apply to civil lawsuits filed on or after the effective date of the bill, regardless of the date of injury.

To the extent that SB 193 would give rise to civil liability, a regulated utility that is held liable could seek to recover damages through rates charged to customers by seeking a rate increase with the Regulatory Commission of Alaska. The Regulatory Affairs & Public Advocacy Section (RAPA) at the Department of Law could be involved in a resulting investigation of a rate increase. Addressing similar types of cost recovery is part of the standard work RAPA performs when investigating a proposed rate increase. RAPA would respond to the implementation of this legislation with existing resources.

The Department of Law does not anticipate any fiscal impact if this bill becomes law.