

BY SENATORS RYAN, PERATROVICH, MCNABB,
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1 IN THE SENATE

2 SENATE BILL NO. 203

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIRST LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act to establish the Alaska Power
7 Authority; defining its authority and
8 duties; and providing an effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 Section 1. FINDINGS AND AFFIRMATION OF PURPOSE. The Legis-
11 lature, recognizing that Alaska has vast hydroelectric and other
12 power resources whose early development is vital to its indus-
13 trialization, economic growth and general well being, and in view
14 of the unavailability of similar undeveloped resources elsewhere
15 in the United States to meet the ever increasing demands for
16 electric power and energy, that such development is likewise
17 a matter of national interest and security, hereby finds the ex-
18 peditious development of such resources to be of primary state
19 interest. The Legislature further ratifies and affirms the
20 findings and declaration of legislative purpose set forth in Sec.
21 1, Ch. 122, SLA 1959.

22 Sec. 2. SHORT TITLE. This Act shall be known and may be
23 cited as the "Alaska Power Authority Act."

24 Sec. 3. ALASKA POWER AUTHORITY: PURPOSES. There is hereby
25 created within the Department of Commerce, the Alaska Power
26 Authority hereafter referred to as the "authority" for the purpose
27 of conserving, developing, and utilizing the water and other
28 electric power resources of Alaska, of making an abundant supply
29 of electric power and energy available to the people of Alaska at

1 the lowest possible rates compatible with sound business prin-
2 ciples, and of promoting and extending the use of electric power
3 and energy in Alaska for industrial, agricultural, commercial,
4 residential, and other purposes

5 Sec. 4. MEMBERSHIP, QUALIFICATIONS AND COMPENSATION. The
6 authority shall consist of three commissioners who shall be
7 appointed by the governor and confirmed by the legislature in
8 joint session assembled. The terms of office of the commissioners
9 first appointed shall expire as designated by the governor at the
10 time of appointment; one at the end of two years, one at the end
11 of four years, and one at the end of six years, it being the in-
12 tent hereof that terms of commissioners be staggered to provide
13 for continuity of experience on the authority. Succeeding appoint-
14 ments shall be for terms of six years; provided, any commissioner
15 appointed to fill a vacancy occurring prior to the expiration of
16 the term for which his predecessor was appointed shall be
17 appointed only for the unexpired portion of such term. Each com-
18 missioner shall hold office for the term for which appointed,
19 unless sooner removed by the governor for cause and until his
20 successor shall have been appointed and qualifies. Commissioners
21 shall be qualified by training or experience to discharge their
22 duties as herein provided and the governor, in making his appoint-
23 ments, shall recognize the principle of area representation. No
24 person shall hold office as a commissioner or be employed as an
25 officer, agent, or employee of the authority who has a financial
26 interest, direct or indirect, in any privately owned utility or
27 organization in Alaska engaged in the production, transmission,
28 distribution, or sale of electric power and energy, or any or-
29 ganization in or outside of Alaska engaged in the mining,

1 manufacturing, production or sale of supplies or equipment used
2 or useful in the production of electrical power and energy.

3 Sec. 5. ORGANIZATION OF AUTHORITY: EMPLOYMENT AND COMPEN-
4 SATION OF PERSONNEL. The governor shall designate one commission-
5 er to be chairman. The authority shall be under the general
6 administrative supervision of the commissioner of commerce and
7 the commissioner of commerce shall appoint and fix the compensa-
8 tion of the executive director of the authority, who may be one
9 of the commissioners or who may be another official of the De-
10 partment of Commerce responsible for economic development or other
11 similar programs within such department. The authority, with the
12 approval of the commissioner of commerce, shall establish such
13 offices as may be necessary to the proper discharge of its duties
14 and shall employ such additional personnel as it may deem
15 necessary at such rates of compensation as it may determine, sub-
16 ject, however, to the personnel policies established by law or
17 regulation issued pursuant thereto. Commissioners shall be com-
18 pensated for time spent in the discharge of their duties and
19 for their necessary travel and other expenses as provided by law.
20 Each commissioner and the executive director shall take and sub-
21 scribe to the oath prescribed by law for principal officers of
22 the state.

23 Sec. 6. COUNSEL FOR COMMISSION. The attorney general shall
24 be the legal counsel for the authority. He shall advise the
25 authority in legal matters arising in the discharge of its duties
26 and shall represent the authority in all suits to which it is a
27 party.

28 Sec. 7. DUTIES. It shall be the duty of the authority:

29 (1) To study Alaska's water, fossil fuel, and other

1 power resources and to collect and disseminate information relat-
2 ing thereto.

3 (2) To compile and maintain a complete and current in-
4 ventory of electric generation, transmission, and distribution
5 facilities in Alaska insofar as such facilities are utilized to
6 furnish central station electric service, but including all other
7 such facilities which may, in the opinion of the authority, sig-
8 nificantly influence or affect the development of electric power
9 resources or the use or need for existing or additional electric
10 power facilities.

11 (3) To study existing and potential uses and markets
12 for electric power and energy and to promote and otherwise en-
13 courage such use and the development of major markets therefor.

14 (4) To prepare, after public hearings and reasonable
15 consultation with government and other agencies and associations
16 having a primary interest therein, a plan for the orderly develop-
17 ment of Alaska's power resources, which plan shall be amended,
18 revised and expanded as may be necessary to reflect changing
19 conditions and requirements.

20 (5) To promote and otherwise foster the assimilation
21 of accurate information concerning Alaska's power resources
22 through expanded federal programs for stream gauging and other
23 detailed studies.

24 (6) To coordinate and otherwise represent the state's
25 interest in securing full federal participation in the develop-
26 ment and financing of large-scale, low-cost power projects
27 through the construction of multiple-purpose dams, fossil fuel
28 and nuclear power plants, or otherwise, and the construction and
29 installation of inter-tie and other transmission facilities

1 essential to such projects.

2 (7) To promote and otherwise encourage rural electri-
3 fication and the extension of central station electric service in
4 Alaska.

5 (8) To assist communities, associations, and others to
6 furnish or improve central station electric service by collecting
7 and otherwise providing information concerning technical or other
8 assistance which may be available from federal, state, or other
9 sources for such purpose and by establishing and maintaining a
10 clearing house of information concerning essential materials and
11 equipment available in Alaska and elsewhere.

12 (9) To encourage and assist in the creation of power
13 grids and power pools to facilitate the efficient utilization of
14 generation facilities.

15 (10) To cooperate with federal, state, and local agen-
16 cies and associations interested in the generation, transmission
17 and distribution of electric power and energy, or in the use
18 thereof, or in the economic and social development of Alaska, in-
19 cluding, but without limiting the generality of the foregoing,
20 the Bureau of Reclamation, United States Army Corps of Engineers,
21 Rural Electrification Administration, Alaska Rural Electric Co-
22 operative Association, Alaska Chamber of Commerce, and the Alaska
23 State Federation of Labor.

24 In the discharge of the foregoing duties, the authority shall
25 cooperate with all federal and state agencies responsible for
26 the conservation, propagation, and development of other natural
27 resources of the state.

28 Sec. 8. STUDY OF LAWS AND PRACTICES: REPORT TO GOVERNOR AND
29 LEGISLATURE. In addition to all other powers and duties conferred

1 upon the authority by this Act, the authority shall have the
2 further duty to make a careful study of all laws with the ad-
3 ministration of which it is charged and of the practices of state
4 power authorities and similar agencies elsewhere and to make a
5 special written report thereon, including recommendations for such
6 further legislative action as it may deem necessary in the public
7 interest. More specifically, such report shall include recommenda-
8 tions with respect to the authority's need for corporate status
9 and the authority to construct and otherwise acquire, operate,
10 and maintain electric generation, transmission, and distribution
11 facilities, and to produce and otherwise acquire, transmit,
12 distribute, furnish, and sell electric power and energy and other
13 incidental services, commodities, and facilities, and the ways
14 and means of financing such activities. The study and report
15 shall further include the terms and conditions under which the
16 authority may borrow funds from the Rural Electrification Ad-
17 ministration for the purpose of furnishing and assisting others
18 to furnish central station electric service to Alaska communities
19 and other rural areas. Such report shall be delivered to the
20 governor not less than 10 days prior to the opening of the first
21 session of the Second Legislature and to the president of the
22 Senate and speaker of the House of Representatives not less than
23 five days after the opening of such session.

24 Sec. 9. EFFECTIVE DATE. This Act takes effect on the day
25 after its passage and approval or on the day it becomes law
26 without such approval.

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