

BY SENATORS OWEN AND MCNABB

1 IN THE SENATE

2 SENATE BILL NO. 43

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SECOND LEGISLATURE - FIRST 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
11 Legislature, recognizing that Alaska has vast hydroelectric and
12 other power resources whose early development is vital to its
13 industrialization, economic growth and general well being, and
14 in view of the unavailability of similar undeveloped resources
15 elsewhere in the United States to meet the ever increasing
16 demands for electric power and energy, that such development
17 is likewise a matter of national interest and security, hereby
18 finds the expeditious development of such resources to be of
19 primary state interest. The Legislature further ratifies and
20 affirms the findings and declaration of legislative purpose
21 set forth in Sec. 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 here-
25 by created within the Department of Commerce, the Alaska Power
26 Authority hereafter referred to as the "authority" for the
27 purpose of conserving, developing, and utilizing the water and
28 other electric power resources of Alaska, of making an abundant
29 supply of electric power and energy available to the people of

1 Alaska at the lowest possible rates compatible with sound
2 business principles, and of promoting and extending the use
3 of electric power and energy in Alaska for industrial, agri-
4 cultural, commercial, residential, and other purposes.

5 Sec. 4. MEMBERSHIP, QUALIFICATIONS AND COMPENSATION.

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

1 power and energy, or any organization in or outside of Alaska
2 engaged in the mining, manufacturing, production or sale of
3 supplies or equipment used or useful in the production of
4 electrical power and energy.

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

26 Sec. 6. COUNSEL FOR COMMISSION. The attorney general
27 shall be the legal counsel for the authority. He shall ad-
28 vise the authority in legal matters arising in the discharge
29 of its duties and shall represent the authority in all suits

1 to which it is a party.

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

3 (1) To study Alaska's water, fossil fuel, and other
4 power resources and to collect and disseminate information
5 relating thereto.

6 (2) To compile and maintain a complete and current
7 inventory of electric generation, transmission, and distri-
8 bution facilities in Alaska insofar as such facilities are
9 utilized to furnish central station electric service, but
10 including all other such facilities which may, in the opinion
11 of the authority, significantly influence or affect the
12 development of electric power resources or the use or need
13 for existing or additional electric power facilities.

14 (3) To study existing and potential uses and mar-
15 kets for electric power and energy and to promote and other-
16 wise encourage such use and the development of major markets
17 therefor.

18 (4) To prepare, after public hearings and reason-
19 able consultation with government and other agencies and
20 associations having a primary interest therein, a plan for
21 the orderly development of Alaska's power resources, which
22 plan shall be amended, revised and expanded as may be necessary
23 to reflect changing conditions and requirements.

24 (5) To promote and otherwise foster the assimilation
25 of accurate information concerning Alaska's power resources
26 through expanded federal programs for stream gauging and other
27 detailed studies.

28 (6) To coordinate and otherwise represent the
29 state's interest in securing full federal participation in the

1 development and financing of large-scale, low-cost power
2 projects through the construction of multiple-purpose dams,
3 fossil fuel and nuclear power plants, or otherwise, and the
4 construction and installation of inter-tie and other trans-
5 mission facilities essential to such projects.

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

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

17 (10) To cooperate with federal, state, and local
18 agencies and associations interested in the generation, trans-
19 mission and distribution of electric power and energy, or in
20 the use thereof, or in the economic and social development of
21 Alaska, including, but without limiting the generality of the
22 foregoing, the Bureau of Reclamation, United States Army
23 Corps of Engineers, Rural Electrification Administration,
24 Alaska Rural Electric Cooperative Association, Alaska Chamber
25 of Commerce, and the Alaska State Federation of Labor.

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

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

28 Sec. 9. EFFECTIVE DATE. This Act takes effect on the
29 day after its passage and approval or on the day it becomes

1 law without such approval.

- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28
- 29