

1 IN THE HOUSE

BY SWANSON

2 *CS* HOUSE BILL NO. 546

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to public utility rates."

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

8 \* Section 1. AS 42.05.381(a) is amended to read:

9 (a) All rates demanded or received by a public utility, or by any  
10 two or more public utilities jointly, for a service furnished or to be  
11 furnished shall be just and reasonable. A rate may not allow a surcharge  
12 or other additional charge not certain in amount whether the surcharge  
13 or other additional charge is for compensation to the utility for  
14 increased costs or for other purposes.

15 \* Sec. 2. AS 42.05.441(b) is amended to read:

16 (b) In determining the value for rate-making purposes of public  
17 utility property used and useful in rendering service to the public, the  
18 commission shall be guided by acquisition cost or, if lower, the original  
19 cost of the property to the person first devoting it to public service,  
20 less accrued depreciation, plus materials and supplies and a reasonable  
21 allowance for cash working capital when required. The value of construc-  
22 tion work in progress may not be included in the determination of value  
23 for rate-making purposes.

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