

Original Sponsor: Swanson

Offered: 4/8/76  
Referred: Rules

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 CS FOR 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 unless

15 (1) the utility has filed within the last three years a  
16 complete tariff revision requesting a permanent rate increase;

17 (2) the utility has filed within the last six months a com-  
18 plete tariff revision requesting a temporary rate increase; and

19 (3) a hearing on the application for the surcharge or other  
20 additional charge has been held after reasonable public notice.

21 \* Sec. 2. AS 42.05.381 is amended by adding a new subsection to read:

22 (c) No surcharge may be continued for a period of more than six  
23 months unless the utility, acting in good faith, has made application  
24 for either a temporary or permanent rate increase.

25 \* Sec. 3. AS 42.05.441(b) is amended to read:

26 (b) In determining the value for rate-making purposes of public  
27 utility property used and useful in rendering service to the public, the  
28 commission shall be guided by acquisition cost or, if lower, the original  
29 cost of the property to the person first devoting it to public service,

1 less accrued depreciation, plus materials and supplies and a reasonable  
2 allowance for cash working capital when required. The value of construc-  
3 tion work in progress may not be included in the determination of value  
4 for rate-making purposes.  
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