

Introduced: 1/31/78
Referred: Commerce

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 715

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska Pipeline Commission."

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

8 * Section 1. AS 42.06.050 is amended to read:

9 Sec. 42.06.050. REMOVAL OF COMMISSIONERS. The governor may
10 remove a commissioner from office for cause, including but not limited
11 to incompetence, neglect of duty, or misconduct in office. A commis-
12 sioner, to be removed for cause, must be given a copy of the charges
13 against him and afforded an opportunity to be publicly heard in person
14 or by counsel in his own defense on not less than 10 days notice. If
15 a commissioner is removed for cause, a complete statement of all
16 charges made against the commissioner and the governor's findings
17 based on the charges, together with a complete record of the proceed-
18 ings, must be filed with the lieutenant governor [BY AND WITH THE
19 CONSENT OF A MAJORITY OF THE LEGISLATURE].

20 * Sec. 2. AS 42.06.180 is amended to read:

21 Sec. 42.06.180. [FORMAL] HEARINGS. A [FORMAL] hearing may be
22 held by or before one [TWO] or more commissioners or a hearing officer
23 designated for the purpose by the commission. [THE TESTIMONY AND
24 EVIDENCE IN A FORMAL HEARING MAY BE TAKEN BY THE COMMISSIONERS TO WHOM
25 THE HEARING HAS BEEN ASSIGNED. A COMMISSIONER WHO HAS NOT HEARD THE
26 TESTIMONY, INCLUDING THE ARGUMENT, MAY NOT PARTICIPATE IN MAKING A
27 DECISION OF THE COMMISSION.] In determining the place of a hearing
28 the commission shall give preference to holding the hearing at a place
29 most convenient for those interested in the subject of the hearing.

1 * Sec. 3. AS 42.06.400(b) is amended to read:

2 (b) An order suspending a tariff filing may be vacated if, after
3 investigation, the commission finds that it is in all respects proper.
4 Otherwise the commission shall hold a hearing on the suspended filing
5 and issue its order, before the end of the suspension period, grant-
6 ing, denying or modifying the suspended tariff in whole or in part.
7 If an initial tariff is suspended, the commission shall establish a
8 reasonable temporary tariff. The commission may [SHALL] allow the
9 collection of the filed initial tariff [BUT], or it may require collec-
10 tion of the temporary tariff. If the commission allows collection of
11 the filed initial tariff, it shall require the pipeline carrier to
12 place the revenue representing the difference between the filed tariff
13 and the temporary tariff in escrow in a financial institution approved
14 by the commission, and keep accurate accounts of all amounts received,
15 specifying by whom and in whose behalf the amounts are paid. At the
16 end or vacation of the suspension period the amount, if any, owing to
17 the pipeline carrier from the difference between the temporary tariff
18 and the permanent tariff shall be paid to the pipeline carrier. The
19 surplus, if any, shall be refunded to the persons in whose behalf the
20 amounts were paid into escrow. No funds may be released from escrow
21 without the commission's prior written consent and instructions to the
22 escrow agent. The commission may allow the pipeline carrier, at the
23 carrier's [ITS] expense, to [MAY] substitute a bond or letter of
24 credit in lieu of the escrow requirement. If the commission requires
25 collection of the temporary tariff, it shall require the shipper to
26 place the revenue representing the difference between the filed initial
27 tariff and the temporary tariff in escrow in a financial institution
28 approved by the commission, and require that accurate accounts similar
29 to those specified above in this section be kept by the carrier and

1 the shipper. The person owing shall pay the person owed to the satis-
2 faction of the commission within 30 days after the commission order
3 allowing or setting a permanent tariff. The commission may allow the
4 shipper, at the shipper's expense, to substitute a bond or letter of
5 credit in place of the escrow requirement.

6 * Sec. 4. AS 42.06.400(c) is repealed and re-enacted to read:

7 (c) If a proposed increased rate is suspended, the commission
8 shall establish a reasonable temporary tariff. The temporary tariff
9 may be the same as the tariff the carrier is seeking to revise. The
10 commission may allow the collection of the filed proposed increased
11 rate, or it may require collection of the temporary rate. If the
12 commission allows collection of the filed increased rate, it shall
13 require the pipeline carrier to place the revenue representing the
14 difference between the filed proposed increased rate and the temporary
15 rate in escrow in a financial institution approved by the commission,
16 and keep an accurate account of all amounts received, specifying by
17 whom and on whose behalf the amounts are paid. At the end or vacation
18 of the suspension period the amount, if any, owing to the pipeline
19 carrier from the difference between the temporary rate and the perma-
20 nent rate shall be paid to the pipeline carrier. The surplus, if any,
21 shall be refunded to the persons on whose behalf the amounts were paid
22 into escrow. No funds may be released from escrow without the commis-
23 sion's prior written consent and instructions to the escrow agent.
24 The commission may allow the pipeline carrier, at the carrier's
25 expense, to substitute a bond or letter of credit in place of the
26 escrow requirement. If the commission requires collection of the
27 temporary rate, it shall require the shipper to place the revenue
28 representing the difference between the proposed increased rate and
29 the temporary rate in escrow in a financial institution approved by

1 the commission, and require that accurate accounts similar to those
2 specified above in this subsection be kept by the carrier and the
3 shipper. The person owing shall pay the person owed to the satis-
4 faction of the commission within 30 days after the commission's order
5 allowing or setting a permanent tariff. The commission may allow the
6 shipper, at the shipper's expense, to substitute a bond or letter of
7 credit instead of meeting the escrow requirement.
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