

Introduced: 2/27/79
Referred: Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE LEGISLATIVE
COUNCIL (for the State
Energy Policy Committee)

1 IN THE HOUSE

2 HOUSE BILL NO. 309

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the construction of power
7 projects."

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

9 * Section 1. AS 37.05.158(c) is amended to read:

10 (c) The proceeds of the reserve for energy facilities development
11 account shall be appropriated annually [SUBJECT TO ANNUAL APPROPRIATION]
12 by the legislature and used for the construction of power projects.
13 Plans for expenditures from the account shall be submitted by the gover-
14 nor in accordance with the Executive Budget Act (AS 37.07) as part of
15 his annual budget presentation.

16 * Sec. 2. AS 44.56.170 is amended by adding new subsections to read:

17 (g) Applications for loans under (b)(2) of this section shall
18 contain information in the form prescribed by the authority to enable
19 the authority to determine whether the construction costs of the project
20 could also be financed under other provisions of AS 44.56. If it
21 appears to the applicant that the construction costs of the project can
22 be financed only under (b)(2) of this section, the application shall
23 also be accompanied by an analysis which compares the anticipated
24 revenues from the project which will be available after payment of
25 estimated expenses of operation and maintenance to an assumed schedule,
26 approved by the authority, of principal or sinking fund payments and
27 interest payments which would be payable if the loan was secured from a
28 private lender. If the anticipated available revenues are not at least
29 equal to the assumed payments necessary, the authority may not make the

1 loan unless there is available in the fund or from any other source an
2 amount which, when added to the anticipated revenues, equals the
3 assumed payments.

4 (h) The authority may establish an account in the power project
5 revolving fund from which it may purchase revenue bonds issued appli-
6 cants for loans under (b) of this section for the construction costs of
7 the project. The revenue bonds may be secured by a senior, parity or
8 subordinate pledge of revenues of a project and may be purchased by the
9 authority at the same time bonds are issued to other investors secured
10 by a senior, parity or subordinate pledge of revenues of the project.
11 The revenue bonds purchased by the authority may bear interest at such
12 rate or rates, mature at such time or times, and contain such other
13 terms and conditions as the authority determines necessary to permit the
14 sale of the bonds to other investors.

15 Sec. 3. AS 44.56.230 is amended by adding new paragraphs to read:

16 (8) "small-scale" means a facility producing not more than 25
17 megawatts of power;

18 (9) "construction costs" means the cost of constructing,
19 equipping, modifying or expanding a project and includes the costs of
20 feasibility studies, design work and reconnaissance studies.

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