

CS FOR HOUSE BILL NO. 286 (CRA)
IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Offered: 5/1/91

Referred: Labor & Commerce, Finance

Sponsor(s): REPRESENTATIVES IVAN, Jacko, Zawacki

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to regulation of local exchange telephone utilities; and providing for an
2 effective date."

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

4 * Section 1. AS 42.05.381 is amended by adding a new subsection to read:

5 (f) A local exchange telephone utility may adjust its rates in conformance with changes
6 in jurisdictional cost allocation factors required by either the Federal Communications
7 Commission or the Alaska Public Utilities Commission upon a showing of

8 (1) the order requiring the change in allocation factors;

9 (2) the aggregate shift in revenue requirement, segregated by service classes or
10 categories, caused by the change in allocation factors; and

11 (3) the rate adjustment required to conform to the required shift in revenue
12 requirement.

13 * Sec. 2. AS 42.05 is amended by adding a new section to read:

14 Sec. 42.05.383. LOCAL EXCHANGE TELEPHONE UTILITY RATE CHANGES. (a)

1 No more than once in a 12-month period, a local exchange telephone utility may adjust its
2 monthly recurring local exchange rates and local private line rates by increasing the rates no
3 more than eight percent or decreasing the rates no more than eight percent. The telephone utility
4 shall publish notice of the change, as required by regulations adopted by the commission, at least
5 60 days before the date of the change. The notice must include

- 6 (1) the reasons for the rate change;
7 (2) a description of the affected service; and
8 (3) an explanation of the right of a subscriber to petition the commission for a
9 hearing on the rate change.

10 (b) At least 60 days before the date of the rate change, the local exchange telephone
11 utility shall file with the commission a statement of intent to change rates containing

- 12 (1) a copy of the notice required by (a) of this section;
13 (2) the date of the most recent previous rate change made by the telephone utility;

14 and

15 (3) the increase in total gross annual local revenue expected to be produced by the
16 proposed rates.

17 (c) The commission may require a local exchange telephone utility that proposes to
18 change rates under this section to provide additional notice to subscribers of the utility as the
19 commission considers appropriate. If the commission receives a petition or individual written
20 requests from at least five percent of the subscribers of a local exchange telephone utility
21 proposing a rate change under this section within 60 days after the notice was given to the
22 subscribers, the commission shall review the proposed rate change. After notice to the local
23 exchange telephone utility, the commission may suspend the rates during the pendency of the
24 review and may reinstate the rates previously in effect.

25 * Sec. 3. This Act takes effect immediately under AS 01.10.070(c).