

CS FOR HOUSE BILL NO. 216(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
EIGHTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 4/12/93
Referred: Rules

Sponsor(s): HOUSE FINANCE COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to power cost equalization; and providing for an effective date."

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

3 * Section 1. AS 44.83.162(c) is amended to read:

4 (c) An eligible electric utility is entitled to receive power cost equalization for

5 (1) sales of power to local community facilities, calculated in the
6 aggregate for each community served by the electric utility, for actual consumption of
7 not more than 70 kilowatt-hours per month for each resident of the community; and

8 (2) actual consumption of not more than 700 [750] kilowatt-hours per
9 month sold to each customer in all classes served by the electric utility except to
10 customers of the utility under (1) of this subsection and customers that are federal
11 offices or federal facilities other than public schools.

12 * Sec. 2. AS 44.83.162(d) is amended to read:

13 (d) The amount of power cost equalization provided per kilowatt-hour under
14 (c) of this section may not exceed 95 percent of the power costs, or the average rate

1 per eligible kilowatt-hour sold, whichever is less, as determined by the commission.
2 However,

3 (1) during the state fiscal year that begins July 1, 1993, [1984] the
4 power costs for which power cost equalization may be paid to an electric utility are
5 limited to minimum power costs of more than 9.82 [8.5] cents per kilowatt-hour and
6 less than 52.5 cents per kilowatt-hour;

7 (2) during each following state fiscal year, the power costs for which
8 power cost equalization may be paid to an electric utility shall be adjusted by the
9 commission, based on the weighted average retail residential rate in Anchorage,
10 Fairbanks, and Juneau [CONSIDERING THE RATE OF CHANGE IN FUEL COST
11 AND POWER DEMAND]; and

12 (3) the power cost equalization per kilowatt-hour may be determined
13 for a utility without historical kilowatt-hour sales data by using kilowatt hours
14 generated.

15 * Sec. 3. AS 44.83.162(e) is amended to read:

16 (e) An electric utility whose customers receive power cost equalization under
17 this section shall set out in its tariff the rates without the power cost equalization and
18 the amount of power cost equalization per kilowatt-hour sold. The rate charged to the
19 customer shall be the difference between the two amounts. Power cost equalization
20 paid under this section shall be used to reduce the cost of all power sold to local
21 community facilities, in the aggregate, to the extent of 70 kilowatt-hours per month per
22 resident of the community, and to reduce the cost of the first 700 [750] kilowatt-hours
23 per customer per month for all other classes served by the electric utility except
24 federal offices and federal facilities other than public schools.

25 * Sec. 4. This Act takes effect July 1, 1993.