

HB

192

# COMMITTEE REPORT

3/13/75

HOUSE

Mr. Speaker:

Date \_\_\_\_\_

The Committee on JUDICIARY has had HB 192

under consideration. A Majority of the members of the Committee

recommends it DO PASS

recommends it DO NOT PASS

recommends it DO PASS WITH ATTACHED AMENDMENT(S)

recommends it BE REPLACED WITH CS FOR \_\_\_\_\_ AND THAT

CS FOR \_\_\_\_\_ DO PASS

"and" recommends it BE REFERRED TO THE \_\_\_\_\_

COMMITTEE

reports it back WITHOUT RECOMMENDATION

"other"

Members signing the Majority report:

<u>[Signature]</u>	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Members NOT concurring in the Majority report:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

[Signature] Chairman

SOUTHEASTERN ALASKA

COMMUNITY

ACTION PROGRAM



JUNEAU CENTER  
P.O. BOX 449  
JUNEAU, ALASKA 99801  
PHONE: 907 588-1890

May 22, 1973

Mr. Gordon J. Zerbetz, Commissioner  
Alaska Public Utilities Commission  
110 MacKay Building  
Anchorage, Alaska 99501

RECEIVED APUC

Dear Mr. Zerbetz:

24 MAY 73 14: 07 The Southeastern Alaska Community Action Program works with the villages in Southeastern Alaska. Through this close working relationship we are able to better understand the needs of these rural people than are many agencies. The Public Utilities Commission decisions are such that they have widespread effect on the people and villages of Southeastern. For this reason SEACAP has taken interest in the upcoming PUC public hearing. SEACAP is concerned about the type of notices the utility companies now utilized to inform their subscribers of rate changes. The predominate method is to publish written notices in the legal column of the newspaper that services the affected area. This method has several obvious shortcomings for the village people. Many people living in the village do not receive newspapers. Many older people are not able to read or read with great difficulty. Few people take the time to read the legal columns even if they are receiving a newspaper. As not to criticize without suggestions for improvement SEACAP does have several recommendations. The notice of rate changes should be continued in the newspapers. In addition, notices should be posted in public buildings (i.e. post office, city hall) and on community bulletin boards. Individual notices should also be sent to subscribers with their regular utility bill, at least 30 days before the rate change is to become effective. Announcements on the radio should also be used to spread this type of information. To insure all the people understand, the announcement should be read in English and the dialect native to the affected area. The adoption of these recommendations would bring better service to the public.

Very truly yours

Robert E. Bradley  
Executive Director/SEACAP

ROBISON, McCASKEY, STRACHAN & HOGE

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

921 WEST SIXTH AVENUE  
ANCHORAGE, ALASKA 99501

TELEPHONE  
AREA CODE 907  
279-7431

PAUL F. ROBISON  
KENNETH MCCASKEY  
JOHN R. STRACHAN  
ANDREW E. HOGE  
MARVIN B. FRANKEL  
PETER A. LEKISCH  
LEROY J. BARKER

April 12, 1974

Mr. Donald E. Clocksin  
315 5th Street #8  
Juneau, Alaska 99801

Re: Proposed amendment to AS 42.05.411(a)

Dear Mr. Clocksin:

I am writing this letter on behalf of the Administrative Law Committee. This letter does not reflect the opinion of this law firm or any of its clients.

This letter represents the official position of the Alaska Bar Association's Administrative Law Committee regarding the amendment you propose to AS 42.05.411(a), copy attached. The Administrative Law Committee absorbed the former Bar Association Public Utilities Committee, and consists of several attorneys primarily representing utilities who practice regularly before the Alaska Public Utilities Commission.

We believe that the public should be afforded adequate notice of utility tariff revisions and rate changes with sufficient time for affected customers to consider the revision or rate change and comment or protest if they choose to do so. This is especially true where the rate change may result in a higher utility bill. However, the Committee also feels that the utilities should have the assurance that their proposed revisions can go into effect within a specified time after they are filed with the Commission and reasonable notice is given to the public. We believe these two worthy objectives go hand in hand, and that the present AS 42.05.411(a) does not accomplish them.

Your amendment does. The present language of AS 42.05.411(a) ostensibly provides 30 days notice to the public of proposed

Mr. Donald E. Clocksin

April 12, 1974

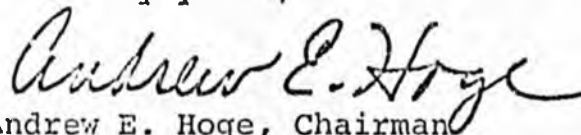
Page - Two -

tariff revisions or rate changes, but this notice period commences on the date the proposed revision is filed with the Commission, not when the public or affected customers actually get notice. It has been our experience that it takes the Commission an average of about two weeks to promulgate public notice of a proposed revision after it is filed with the Commission, but the deadline for comment or protest is always 30 days after the date the proposed revision was filed with the Commission. So, in actual practice the public usually has about two weeks or less to consider and comment on the proposed revision which may result in a hike in their utility bills. This is considerably less than 30 days notice "to the public". The Committee believes a realistic 30 days notice to the public is imperative, and that your amendment provides it.

Your amendment also retains the desirable feature from the standpoint of the utilities that a proposed tariff revision can go into effect within a definite time after it is filed, while providing a realistic 30 days notice to the public during that period. Under the present AS 42.05.411(a), the effective date of a proposed revision is 30 days after it is filed with the Commission. Pursuant to your amendment, the effective date of a proposed tariff revision would be 30 days after notice to the public, but in any case not later than 45 days after it is filed with the Commission. Since the saving clause (the last sentence) of AS 42.05.411(a) is retained, an additional 15 days from the date of filing for the proposed revision to go into effect does not seem burdensome in the light of the public interest to be served by your amendment.

Therefore, the Committee officially endorses and supports your proposed amendment to AS 42.05.411(a). If the Committee or myself can be of any further assistance in the passage of this amendment, please feel free to contact me at any time.

Sincerely yours,



Andrew E. Hoge, Chairman  
Administrative Law Committee

cc: L. S. Kurtz, Jr., President  
Alaska Bar Association

Mary F. LaFollette, Executive Director  
Alaska Bar Association

Committee members

Date of Notice

Expiration

1973

Days notice to public

.70

1-3	1-22	19
1-5	1-24	19
1-5	1-22	17
1-8	1-23	15
1-15	1-29	14
1-15	1-29	14
2-14	3-1	15
3-1	3-23	22
3-5	3-31	16
3-6	3-26	20
3-13	3-27	14
3-13	3-28	15
3-14	3-29	15
3-15	3-30	15
3-24	4-9	16
4-12	5-1	19
4-18	4-30	12
<del>4-27</del>	<del>5-14</del>	<del>17</del>
4-27	5-14	17
5-3	5-21	18
5-3	5-18	15
5-8	5-25	17
5-17	5-31	14
6-29	6-12	14
6-6	6-20	14
6-8	6-20	12
7-6	7-26	20
7-13	7-27	14
8-20	8-9	20
8-20	8-7	18
8-26	8-10	15
8-30	8-24	25
8-30	8-17	

16.39  
avg.

Total 511

1973

8-15	9-4	20
8-28	9-18	21
8-28	9-18	21
8-28	9-18	21
9-5	9-19	14
9-14	10-1	17
9-25	10-10	15
9-25	10-10	15
9-27	10-12	15
9-27	10-12	15
9-28	10-15	17
10-8	10-23	15
<del>10-8</del>	<del>10-23</del>	<del>15</del>
10-5	10-23	18
10-8	10-23	15
10-9	10-31	22
10-9	10-31	22
10-12	10-31	19
10-16	11-2	17
10-24	11-12	19
10-31	11-16	16
11-5	11-22	17
11-7	11-23	16
11-16	12-4	18
11-23	12-13	20
11-27	12-11	14
11-27	12-14	17
11-30	12-20	20
12-6	12-26	20
12-8	12-26	20
12-7	12-28	21
12-7	12-28	21
12-7	12-28	21

599 32  
 18.15

1.9.15

12-11

12-31

20

12-11

1-4 (74)

24

12-12

1-2

21

12-21

1-10 (74)

20

85

21.25  
avg

70

1973 average notice to the public  
17.5 days

1974 avg so far  
15.5 days notice

Total 1973-4 avg (17.25 days notice)

1774

1-8-74  
 1-9  
 1-11  
 1-15  
 1-21  
 1-28  
 1-31  
 2-4  
 2-11  
 2-20

1-28  
 1-28  
 1-24  
 1-30  
 2-6  
 2-12  
 2-19  
 2-18  
 2-22  
 3-5

20  
 19  
 13  
 15  
 16  
 15  
 19  
 14  
 11  
 13

(155)

15.5 avg  
 1974  
 average

$\frac{1380}{80} \text{ total} = \text{total avg. } (17.25)$

STATE OF ALASKA

BEFORE THE ALASKA PUBLIC UTILITIES COMMISSION

In the Matter of the Adoption of )  
Regulations in Chapter 48, PRACTICE )  
AND PROCEDURE )

U-72-75

ORDER NO. 2

ORDER ADOPTING REGULATIONS  
(ARTICLE 2)

On April 20, 1973, the Commission issued public notice of its intention to adopt regulations in Title 3 (Commerce) of the Alaska Administrative Code, to implement AS 42.05, consisting of Part 5, Chapter 48 (Practice and Procedure), Article 2, titled "Utility Tariffs." The notice was published in the Anchorage Daily News, the Fairbanks Daily News-Miner, the Ketchikan Daily News, the Daily Sitka Sentinel, and the Southeast Alaska Empire. In addition, the notice was mailed to all known attorneys representing certificated utilities, all public accountants or certified public accountants known to be working for certificated utilities, all Senators and Representatives in the Alaska State Legislature, the Alaska Legal Services Corporation, the Alaska Bar Association and all known interested parties.

The notice provided for the filing of written arguments or statements by any interested party on or before May 21, 1973, and for the presentation of oral or written arguments or other statements at a hearing to be held in the Hearing Room of the Commission on the 11th Floor of the MacKay Building, 338 Denali Street, Anchorage, Alaska at 9:30 A.M. on May 30, 1973.

Written comments on the proposed Utility Tariff  
Regulations of Practice and Procedure were submitted by:

Francis M. Flavin and James Grandjean representing  
the Village of South Naknek

John R. Spencer representing the City of Anchorage

Steve Cowan representing the State of South Dakota,  
Public Utilities Commission

William H. Johnson representing Matanuska Electric  
Association, Inc.

Sam Kite, Jr. representing Doyon, Limited

Theodore E. Fleischer representing Glacier State  
Telephone Company and Juneau-Douglas Telephone Com-  
pany

SOA 11701 John Shively representing Alaska Federation of Na-  
tives, Inc.

Robert E. Bradley representing Southeastern Alaska  
Community Action Program

David F. Bouker representing Nushagak Electric Co-  
operative, Inc.

Nick Martin representing the Village of Kasigluk

N. C. Banfield representing the law firm of Faulkner,  
Banfield, Doogan, Gross & Holmes

Roy S. Evan representing Ahtna, Inc.

Oscar L. Thomas representing Kenai Utility Service  
Corp.

W. C. Rhodes representing Homer Electric Association,  
Inc.

Andrew E. Hoge representing the law firm of Robison,  
McCaskey, Strachan and Hoge

Irene Reed representing Eskimo Language Workshop  
at the University of Alaska, Fairbanks

Dr. Michael Krause representing the Linguistics Lab  
of the University of Alaska, Fairbanks

Joint Federal-State Land Use Planning Commission

Northwest Public Power Association

Larry Colp representing Fairbanks Municipal Utilities  
System

Oren F. Ryals representing Salem Electric

Lloyd M. Hodson representing the Alaska Village Electric Cooperative, Inc.

William J. Moran representing the Chugach Electric Association

It should be noted that the initial draft of the Commission's tariff rules was noticed on October 3, 1972, and considered at a hearing on November 15, 1972. As a result of numerous comments on that initial draft, the Commission extensively revised the proposed tariff rules and it was the revised draft which was noticed on April 20, 1973, and which, with certain amendments discussed below, will be adopted by this order.

Numerous suggestions were received on the proposed rules and many changes were incorporated in the rules as a result of those suggestions. The discussion herein, however, will be limited only to the changes which appear to the Commission to have the greatest significance.

48.210: The Commission adopted the suggestions to provide for a waiver on a showing of good cause and to allow the application for waiver to be made by an advice letter.

48.220: The grace period for filing copies of special contracts not previously filed with the Commission and tariff sheets covering every rate, charge, rule, regulation or condition of service being applied by a utility but not filed with the Commission will be changed from 30 days to <sup>2</sup>100 days after the effective date of the tariff rules. In addition, the sentence will be added delineating the various contracts not encompassed within the term "special contract" as used in this chapter.

48.230: This section will be amended to exclude nonutility billing forms and contracts. A utility will be allowed to incorporate the required forms in its tariff in lieu of submitting them separately by an advice letter.

48.250: The Commission will add a provision requiring each utility to submit for Commission approval a list of the locations at which the utility proposes to maintain a copy of its tariff on file for public inspection. It is hoped that this amendment will quiet the fears of those parties who voiced concern that their utilities would be burdened with substantial additional costs to make copies of their tariffs available at places not normally manned by trained tariff personnel.

48.260: Although several strenuous objections were made to the posting of a sign informing the public of the tariff inspection privilege, the Commission believes it is in the public interest to retain this requirement.

48.280: The Commission does not subscribe to the interpretation placed on the Statute by some parties to the effect that a separate 30-day's notice is required to be made to the public of any tariff change, nor does it agree that the public notices of tariff changes must be issued in a language other than English. As a matter of policy, however, the Commission will endeavor to make greater use of broadcast media whenever it appears that this procedure will carry the notice to a substantial number of a utility's customers who would not otherwise be made aware of the proposed tariff revision. Further, the Commission will request that the notices be broadcast in the dialect or language which is prevalent in the region.

48.290: The Commission does not agree with the contention that a 30-day period for response must be allowed commencing after the last date of publication. In our view, the statute is clear that the 30-day notice period to the Commission and to the public commences running on the day the tariff revision is properly filed with the Commission.

48.340: The Commission will substitute the decimal system for numbering of tariff insert pages in place of the present alphabetical system.

48.370: Certain provisions previously in sections 48.400 and 48.410 will be transferred to this section.

48.380: Toll settlement formulas and procedures will be specifically excluded from the schedules required to be filed by telecommunications utilities.

48.390: Several parties objected to the inclusion of a firm requirement that no special contract may become effective without the prior approval of the Commission and shall, at all times, be subject to any revisions which the Commission may order. They pointed out that in some instances this requirement might unreasonably complicate the contracting process to the great disadvantage of all parties. Accordingly, the Commission will make specific provisions for a waiver of this requirement when circumstances warrant.

48.420: Perhaps the most controversial rule proposed by the Commission concerns deposit practices. The Commission remains firm in its conviction that the public interest will be enhanced if utility deposit practices are regularized throughout the state to the maximum feasible extent.

Since the use of utility services and credit standings vary widely between customers, and recognizing that there often may exist extenuating circumstances which would make absolutely fixed rules extremely difficult to apply uniformly to all utility customers, the Commission provided an area of discretion in which a utility may exercise its judgment as to the proper deposit requirement after consultation with the customer. The maximum deposit for all types of utilities will be set at two-months billings.

The Commission does not agree that any type of utility, except a telephone utility (because of the toll billing delay), should hold a deposit longer than 25 days after discontinuance of service. On the other hand, the Commission finds merit in the comments of several parties to the effect that a customer who does not habitually pay his bills on time should not expect to receive service without having made a deposit.

As to the proposed provisions requiring payment of interest on deposits and waiving deposit requirement for persons who have reached or exceed 62 years of age, in consideration of the numerous strong protests to them the Commission has decided to withdraw the provisions pending further study.

**THE COMMISSION FURTHER FINDS AND CONCLUDES:**

1. The procedural requirements, as provided in AS 44.62.180 et seq., for public notice and affording an opportunity to each interested party to present statements, arguments and contentions relating to the proposed adoption of regulations titled "Utility Tariffs" in Title

3, Part 5, Chapter 48 (Practice and Procedure), Article 2 of the Alaska Administrative Code, have been met in this proceeding.

2. The comments which were submitted, both oral and written, have been considered by the Commission and in furtherance of the public interest the regulations titled "Utility Tariffs" in Chapter 48, Article 2, modified pursuant to the discussion above, should be adopted and duly filed as provided by statute.

ORDER

THE COMMISSION ORDERS, That, the proposed regulations, Title 3, Part 5, Chapter 48, Article 2 of the Alaska Administrative Code, attached hereto as Appendix A, are hereby adopted under the authority vested by AS 42.05.151, and shall be duly filed with the Lieutenant Governor in accordance with the provisions of the Administrative Procedure Act (AS 44.62).

By Direction of the Commission:

DATED AND EFFECTIVE at Anchorage, Alaska, this 5th day of October, 1973.

ALASKA PUBLIC UTILITIES COMMISSION

*Maurice H. Oaksmith*

Maurice H. Oaksmith  
Deputy Director

STATE OF ALASKA

proc BEFORE THE ALASKA PUBLIC UTILITIES COMMISSION

In the Matter of the Adoption of )  
Regulations in Chapter 48, PRACTICE )  
AND PROCEDURE )

U-72-75

CERTIFICATION OF MAILING

Donna R. Gould certifies as follows:

That I am Clerk Typist III in the offices of  
the Alaska Public Utilities Commission, 1100 MacKay Bldg.,  
338 Denali Street, Anchorage, Alaska 99501.

That on the 5th day of October, 1973, I mailed  
true and accurate copies with postage thereon to the  
parties indicated on the attached service list of

ORDER NO. 2

ORDER ADOPTING REGULATIONS  
(ARTICLE 2)

in the above-entitled cause.

DATED at Anchorage, Alaska, this 5th day of October, 1973.

Donna R. Gould

SERVICE LIST

U-72-75

N. C. Banfield, Esquire  
311 N. Franklin Street  
Room 201  
Juneau, Alaska 99801

Theodore E. Fleischer, Esquire  
Ely, Guess & Rudd  
1016 West Sixth Avenue  
Suite 400  
Anchorage, Alaska 99501

John Spencer  
City Attorney  
City of Anchorage  
P. O. Box 400  
Anchorage, Alaska 99510

Andrew E. Hoge, Esquire  
921 West Sixth Avenue  
Anchorage, Alaska 99501

Francis J. Flavin, Esquire  
James Grandjean, Esquire  
Alaska Legal Services Corporation  
524 West Sixth Avenue  
Suite 204  
Anchorage, Alaska 99501

COURTESY LIST

The Honorable Emmitt L. Wilson  
Commissioner  
Department of Commerce  
Pouch D  
Juneau, Alaska 99801

The Honorable John E. Havelock  
Attorney General of Alaska  
Pouch K  
Juneau, Alaska 99801

Robert J. Mahoney  
Cole, Hartig, Munley, Rhodes &  
Norman  
717 "K" Street  
Anchorage, Alaska 99501

Courtesy List (Cont'd)

Mr. Dale Teel, President  
Alaska Gas & Service Company  
P. O. Box 6288  
Anchorage, Alaska 99502

E. Ken Larsen, State Manager  
Glacier State Telephone Company  
500 W. International Airport Rd.  
Anchorage, Alaska 99503

Alaska Electric Light and  
Power Company  
P. O. Box 1901  
Juneau, Alaska 99801

Northern Commercial Company  
419 Colman Building  
Seattle, Washington 98104

Alaska Power and Telephone and  
National Utilities, Inc.  
P. O. Box 222  
Port Townsend, Washington 98368

Robert E. Sharp  
City Manager  
City of Anchorage  
P. O. Box 400  
Anchorage, Alaska 99501

Anchorage Attorney General's  
Office  
Civil Section  
360 "K" Street  
Anchorage, Alaska 99501

Archie Gottschalt  
Rural Alaska Community Action  
Program  
Drawer 412 ECB  
Anchorage, Alaska 99501

Telephone (907) 452-1746

*Doyon, Limited*

527 Third Avenue

~~527 Third Avenue~~

*Fairbanks, Alaska 99701*

May 29, 1973

Mr. Jack Stearn  
Executive Director  
Alaska Public Utilities Commission  
1100 MacKay Building  
338 Denali Street  
Anchorage, Alaska 99501

Dear Mr. Stearn,

It has been brought to our attention that you are soliciting comments on Title 3 to Implement AS 42.05 as it relates to notice that utility companies must provide to their customers whenever these companies set or change their rates.

RECEIVED APLU  
MAY 31 11: 30  
Doyon, Limited is a native Regional Corporation with a very deep interest in utilities within the 42 villages in our region. We have been aware for some time that the notice for public hearings on rate changes and service has been totally inadequate.

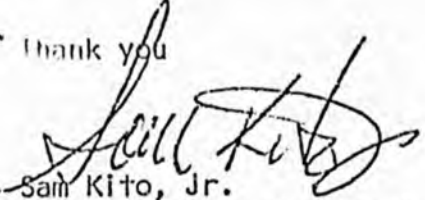
I would like to thank the Commission for sincerely looking into this problem and doing something about it.

We believe that future public notice should be given by radio as well as newspapers. Newspaper notice is generally in the legal section and receives very little scrutiny. Radio notices would be just an additional way to make sure that as many people as possible know about the hearings. Additionally we feel that native languages should be used where the language is used more than English.

One final method of notification we believe should be used is to require the utility to give written notice to individual customers along with utility bills.

Please enter this letter into the official transcript of hearing.

Thank you

  
Sam Kito, Jr.

Executive Vice President

LAW OFFICES OF  
ALASKA LEGAL SERVICES CORPORATION  
315 FIFTH STREET, SUITE 8  
JUNEAU, ALASKA 99801  
TELEPHONE 586-~~XXX~~ 6425

MEMORANDUM

To: Rep. Terry Gardiner  
From: Don Clocksin *DCC*  
Subject: Floor Debate - HB 192, Public Utility Notices  
Date: March 20, 1975

Since your bill, HB 192, is in Rules, you may want to refer to this summary when it appears on the House calendar,

I. Background.

This bill originated from the Bush Justice Conference in June, 1974, in Minto, Alaska. There, Alaskans living in rural areas gathered to discuss the delivery of state services to the bush and to recommend changes. One problem identified was the lack of notice and input rural residents had on decisions made by administrative agencies that affected their lives. The Administrative Law Committee of the Alaska Bar Association, made up of lawyers representing utilities and consumers developed the legislation.

II. Present Law.

Under present procedures of the Alaska Public Utility Commission, if a utility requests a rate change or other revision of its tariff from the APUC, the Commission files it, notifies the public, and, if no objections are received within 30 days, the change goes into effect automatically. The present law requires 30 days' notice to the public from the date the proposed revision is filed. Since delays occur between filing with the APUC and actual publication, substantially less than 30 days' actual notice is available to comment. Testimony indicated in 1973 that only 17.3 days actual notice to the public was given, on the average.

III. What the Bill Will Do.

The bill would require at least 30 days' actual notice to the public, and gives the APUC 15 days from the date the proposed change is filed with them to issue the public notice.

The net result is to increase by 15 days the period of time before

(two)

a revision can take effect and to assure more time for public comment. The bill will not alter the right of the APUC to adopt changes quicker than that in emergencies.

IV. Support.

The bill is supported by the Bush Justice Monitoring Committee, Alaska Legal Services Corporation, the Alaska Bar Association, and is approved by Commissioner Zerbetz of the APUC. There is no known opposition.

cc: Rep. Bob Bradley

Introduced: 2/21/75  
Referred: Commerce and  
Judiciary

1 IN THE HOUSE

BY GARDINER

2 HOUSE BILL NO. 192

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to changes in public utility tariffs."

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

8 \* Section 1. AS 42.05.411(a) is amended to read:

9 (a) No public utility may establish or place in effect any new  
10 or revised rates, charges, rules, regulations, conditions of service  
11 or practices except after 45 [30] days notice to the commission and 30  
12 days notice to the public. Notice shall be given to the commission by  
13 filing with the commission and keeping open for public inspection the  
14 revised tariff provisions which shall plainly indicate the changes to  
15 be made in the schedules then in force and the time when the changes  
16 will go into effect. The commission shall prescribe means by regulation  
17 whereby notice is given to the public before or no later than 15 days  
18 after the filing which shall be reasonably adequate to notify customers  
19 affected by the filing [MAY PREScribe ADDITIONAL MEANS OF GIVING  
20 NOTICE]. The commission, for good cause shown, may allow changes to  
21 take effect on less than 45 [30] days notice to the commission or 30  
22 days notice to the public under conditions the commission prescribes.

24 1974 - average 15.5 days - notice  
25 ~~1974 - average 15.5 days - notice~~

STATE OF ALASKA

BEFORE THE ALASKA PUBLIC UTILITIES COMMISSION

In the Matter of the Adoption of )  
Regulations in Chapter 48, PRACTICE )  
AND PROCEDURE )  
\_\_\_\_\_ )

U-72-75  
ORDER NO. 2

ORDER ADOPTING REGULATIONS  
(ARTICLE 2)

On April 20, 1973, the Commission issued public notice of its intention to adopt regulations in Title 3 (Commerce) of the Alaska Administrative Code, to implement AS 42.05, consisting of Part 5, Chapter 48 (Practice and Procedure), Article 2, titled "Utility Tariffs." The notice was published in the Anchorage Daily News, the Fairbanks Daily News-Miner, the Ketchikan Daily News, the Daily Sitka Sentinel, and the Southeast Alaska Empire. In addition, the notice was mailed to all known attorneys representing certificated utilities, all public accountants or certified public accountants known to be working for certificated utilities, all Senators and Representatives in the Alaska State Legislature, the Alaska Legal Services Corporation, the Alaska Bar Association and all known interested parties.

The notice provided for the filing of written arguments or statements by any interested party on or before May 21, 1973, and for the presentation of oral or written arguments or other statements at a hearing to be held in the Hearing Room of the Commission on the 11th Floor of the MacKay Building, 338 Denali Street, Anchorage, Alaska at 9:30 A.M. on May 30, 1973.

Written comments on the proposed Utility Tariff  
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Francis M. Flavin and James Grandjean representing  
the Village of South Naknek

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pany

John Shively representing Alaska Federation of Na-  
tives, Inc.

Robert E. Bradley representing Southeastern Alaska  
Community Action Program

David F. Bouker representing Nushagak Electric Co-  
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N. C. Banfield representing the law firm of Faulkner,  
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Roy S. Evan representing Ahtna, Inc.

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Inc.

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Irene Reed representing Eskimo Language Workshop  
at the University of Alaska, Fairbanks

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of the University of Alaska, Fairbanks

Joint Federal-State Land Use Planning Commission

North Alaska Public Power Association

Larry Colp representing Fairbanks Municipal Utilities  
System

Oren F. Ryals representing Salem Electric

Lloyd M. Hodson representing the Alaska Village  
Electric Cooperative, Inc.

William J. Moran representing the Chugach Electric  
Association

It should be noted that the initial draft of the Commission's tariff rules was noticed on October 3, 1972, and considered at a hearing on November 15, 1972. As a result of numerous comments on that initial draft, the Commission extensively revised the proposed tariff rules and it was the revised draft which was noticed on April 20, 1973, and which, with certain amendments discussed below, will be adopted by this order.

Numerous suggestions were received on the proposed rules and many changes were incorporated in the rules as a result of those suggestions. The discussion herein, however, will be limited only to the changes which appear to the Commission to have the greatest significance.

48.210: The Commission adopted the suggestions to provide for a waiver on a showing of good cause and to allow the application for waiver to be made by an advice letter.

48.220: The grace period for filing copies of special contracts not previously filed with the Commission and tariff sheets covering every rate, charge, rule, regulation or condition of service being applied by a utility but not filed with the Commission will be changed from 30 days to <sup>2</sup>100 days after the effective date of the tariff rules. In addition, the sentence will be added delineating the various contracts not encompassed within the term "special contract" as used in this chapter.

48.230: This section will be amended to exclude nonutility billing forms and contracts. A utility will be allowed to incorporate the required forms in its tariff in lieu of submitting them separately by an advice letter.

48.250: The Commission will add a provision requiring each utility to submit for Commission approval a list of the locations at which the utility proposes to maintain a copy of its tariff on file for public inspection. It is hoped that this amendment will quiet the fears of those parties who voiced concern that their utilities would be burdened with substantial additional costs to make copies of their tariffs available at places not normally manned by trained tariff personnel.

48.260: Although several strenuous objections were made to the posting of a sign informing the public of the tariff inspection privilege, the Commission believes it is in the public interest to retain this requirement.

48.280: The Commission does not subscribe to the interpretation placed on the Statute by some parties to the effect that a separate 30-day's notice is required to be made to the public of any tariff change, nor does it agree that the public notices of tariff changes must be issued in a language other than English. As a matter of policy, however, the Commission will endeavor to make greater use of broadcast media whenever it appears that this procedure will carry the notice to a substantial number of a utility's customers who would not otherwise be made aware of the proposed tariff revision. Further, the Commission will request that the notices be broadcast in the dialect or language which is prevalent in the region.

48.290: The Commission does not agree with the contention that a 30-day period for response must be allowed commencing after the last date of publication. In our view, the statute is clear that the 30-day notice period to the Commission and to the public commences running on the day the tariff revision is properly filed with the Commission.

48.340: The Commission will substitute the decimal system for numbering of tariff insert pages in place of the present alphabetical system.

48.370: Certain provisions previously in sections 48.400 and 48.410 will be transferred to this section.

48.380: Toll settlement formulas and procedures will be specifically excluded from the schedules required to be filed by telecommunications utilities.

48.390: Several parties objected to the inclusion of a firm requirement that no special contract may become effective without the prior approval of the Commission and shall, at all times, be subject to any revisions which the Commission may order. They pointed out that in some instances this requirement might unreasonably complicate the contracting process to the great disadvantage of all parties. Accordingly, the Commission will make specific provisions for a waiver of this requirement when circumstances warrant.

48.420: Perhaps the most controversial rule proposed by the Commission concerns deposit practices. The Commission remains firm in its conviction that the public interest will be enhanced if utility deposit practices are regularized throughout the state to the maximum feasible extent.

Since the use of utility services and credit standings vary widely between customers, and recognizing that there often may exist extenuating circumstances which would make absolutely fixed rules extremely difficult to apply uniformly to all utility customers, the Commission provided an area of discretion in which a utility may exercise its judgment as to the proper deposit requirement after consultation with the customer. The maximum deposit for all types of utilities will be set at two-months billings.

The Commission does not agree that any type of utility, except a telephone utility (because of the toll billing delay), should hold a deposit longer than 25 days after discontinuance of service. On the other hand, the Commission finds merit in the comments of several parties to the effect that a customer who does not habitually pay his bills on time should not expect to receive service without having made a deposit.

As to the proposed provisions requiring payment of interest on deposits and waiving deposit requirement for persons who have reached or exceed 62 years of age, in consideration of the numerous strong protests to them the Commission has decided to withdraw the provisions pending further study.

THE COMMISSION FURTHER FINDS AND CONCLUDES:

1. The procedural requirements, as provided in AS 44.62.180 et seq., for public notice and affording an opportunity to each interested party to present statements, arguments and contentions relating to the proposed adoption of regulations titled "Utility Tariffs" in Title

3, Part 5, Chapter 48 (Practice and Procedure), Article 2 of the Alaska Administrative Code, have been met in this proceeding.

2. The comments which were submitted, both oral and written, have been considered by the Commission and in furtherance of the public interest the regulations titled "Utility Tariffs" in Chapter 48, Article 2, modified pursuant to the discussion above, should be adopted and duly filed as provided by statute.

ORDER

THE COMMISSION ORDERS, That, the proposed regulations, Title 3, Part 5, Chapter 48, Article 2 of the Alaska Administrative Code, attached hereto as Appendix A, are hereby adopted under the authority vested by AS 42.05.151, and shall be duly filed with the Lieutenant Governor in accordance with the provisions of the Administrative Procedure Act (AS 44.62).

By Direction of the Commission:

DATED AND EFFECTIVE at Anchorage, Alaska, this 5th day of October, 1973.

ALASKA PUBLIC UTILITIES COMMISSION



Maurice H. Oaksmith  
Deputy Director

STATE OF ALASKA  
BEFORE THE ALASKA PUBLIC UTILITIES COMMISSION

In the Matter of the Adoption of )  
Regulations in Chapter 48, PRACTICE )  
AND PROCEDURE )

U-72-75

CERTIFICATION OF MAILING

Donna R. Gould certifies as follows:

That I am Clerk Typist III in the offices of  
the Alaska Public Utilities Commission, 1100 MacKay Bldg.,  
338 Denali Street, Anchorage, Alaska 99501.

That on the 5th day of October, 1973, I mailed  
true and accurate copies with postage thereon to the  
parties indicated on the attached service list of

ORDER NO. 2

ORDER ADOPTING REGULATIONS  
(ARTICLE 2)

in the above-entitled cause.

DATED at Anchorage, Alaska, this 5th day of October, 1973.

Donna R. Gould

SERVICE LIST

U-72-75

N. C. Banfield, Esquire  
311 N. Franklin Street  
Room 201  
Juneau, Alaska 99801

Theodore E. Fleischer, Esquire  
Ely, Guess & Rudd  
1016 West Sixth Avenue  
Suite 400  
Anchorage, Alaska 99501

John Spencer  
City Attorney  
City of Anchorage  
P. O. Box 400  
Anchorage, Alaska 99510

Andrew E. Hoge, Esquire  
921 West Sixth Avenue  
Anchorage, Alaska 99501

Francis J. Flavin, Esquire  
James Grandjean, Esquire  
Alaska Legal Services Corporation  
524 West Sixth Avenue  
Suite 204  
Anchorage, Alaska 99501

COURTESY LIST

The Honorable Emmitt L. Wilson  
Commissioner  
Department of Commerce  
Pouch D  
Juneau, Alaska 99801

The Honorable John E. Havelock  
Attorney General of Alaska  
Pouch K  
Juneau, Alaska 99801

Robert J. Mahoney  
Cole, Hartig, Munley, Rhodes &  
Norman  
717 "K" Street  
Anchorage, Alaska 99501

Courtesy List (Cont'd)

Mr. Dale Teel, President  
Alaska Gas & Service Company  
P. O. Box 6288  
Anchorage, Alaska 99502

E. Ken Larsen, State Manager  
Glacier State Telephone Company  
500 W. International Airport Rd.  
Anchorage, Alaska 99503

Alaska Electric Light and  
Power Company  
P. O. Box 1901  
Juneau, Alaska 99801

Northern Commercial Company  
419 Colman Building  
Seattle, Washington 98104

Alaska Power and Telephone and  
National Utilities, Inc.  
P. O. Box 222  
Port Townsend, Washington 98368

Robert E. Sharp  
City Manager  
City of Anchorage  
P. O. Box 400  
Anchorage, Alaska 99501

Anchorage Attorney General's  
Office  
Civil Section  
360 "K" Street  
Anchorage, Alaska 99501

Archie Gottschalt  
Rural Alaska Community Action  
Program  
Drawer 412 ECB  
Anchorage, Alaska 99501