

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 758  
Title "An Act relating to the energy program for Alaska."  
Requested by House Resources Date 4/2/82

II. FISCAL DETAIL

Agency Affected Office of the Governor  
Program Category Affected Division of Elections  
BRU, Program, Or Subprogram(s) Affected Division of Elections  
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL		4.0		4.0		
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	4.0	-0-	4.0	-0-	-0-

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND		4.0		4.0		
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS No additional positions required.

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

Assume:

1. That special elections on power projects will be held simultaneously with November general elections in affected areas.
2. That the Official Election Pamphlet will be the vehicle for delivery of descriptions of each power project to each registered voter prior to the appropriate election.
3. That three elections will be held during FY 83 (at the 1982 General Election) affecting a) Terror Lake (Kodiak precincts), b) Bradley Lake (Kenai precincts), and c) Black Bear Lake (Craig, Klawock, and Hydaburg precincts).
4. That one election will be held during FY 85 (at the 1984 General Election) for the Susitna project (Anchorage, Fairbanks [Railbelt], and Valdez precincts).
5. That all expenditures, with the exception of printing costs for one additional ballot and some advertising costs, will be absorbed into the general detail budget for the Division of Elections as projected during a general election budget year.

IV. DATE 4/5/82 PREPARED BY Danith D. Arnoldt, Deputy Director  
AGENCY Office of the Governor, Div. of Elections

Original: Legislative Finance PHONE 586-6181  
cc: Budget and Management  
Prime Sponsor (First Legislator Named)

FISCAL NOTE

III. ANALYSIS (continued)

If the Legislature deems it necessary to place these questions on special election ballots separate from the General Election in those years specified, these costs must be recalculated and will increase significantly.

Introduced: 2/11/82  
Referred: Resources and  
Finance

1 IN THE HOUSE

BY THE RESOURCES-COMMITTEE

2 HOUSE BILL NO. 758

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the energy program for Alaska."

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

8 \* Section 1. AS 44.83.380(b) is amended to read:

9 (b) The energy program for Alaska is a program by which the au-  
10 thority may acquire or construct power projects with money appropriated  
11 by the legislature to the power development fund established in AS 44.-  
12 83.382. A power project may be acquired or constructed as part of the  
13 energy program for Alaska only if

14 (1) for a power project that will generate more than 1.5  
15 megawatts of power and on which construction has not begun

16 (A) the power project is submitted to and approved by  
17 the legislature in accordance with procedures set out in AS 44.-  
18 83.177 - 44.83.187; and

19 (B) the authority makes the determinations required by  
20 AS 44.83.394 with respect to the power project;

21 (2) for a power project that will generate more than 1.5  
22 megawatts of power and on which construction has begun or is completed,  
23 the authority makes the determinations required by AS 44.83.394 with re-  
24 spect to the power project; and

25 (3) for a power project that will generate 1.5 megawatts  
26 of power or less, on which construction has not begun, the authority  
27 prepares a feasibility study for the power project in accordance with  
28 AS 44.83.181 and makes the determinations required by AS 44.83.394 with  
29 respect to the power project.

1 \* Sec. 2. AS 44.83.382(b) is amended to read:

2 (b) The fund consists of [INCLUDES

3 (1)] money appropriated to it by the legislature [; AND

4 (2) REVENUES COLLECTED FROM THE SALE OF POWER THAT ARE NOT  
5 REQUIRED BY LAW TO BE DEPOSITED INTO THE GENERAL FUND].

6 \* Sec. 3. AS 44.83.384(b) is amended to read:

7 (b) Money in the fund may be used under (a) of this section only  
8 for a power project that

9 (1) meets the revenue requirements of AS 44.83.394; [AND]

10 (2) provides the lowest reasonable power cost to utility  
11 customers in the market area for the estimated life of the power project,  
12 whether operated by itself or in conjunction with other power projects  
13 in the market area, and that operates or will operate on one or more of  
14 the following:

15 (A) renewable energy resources, including but not  
16 limited to hydroelectric power, wind, biomass, geothermal, tidal or  
17 solar energy, or a method that uses temperature differentials or  
18 other physical properties of the ocean;

19 (B) coal or peat;

20 (C) energy derived from waste heat; or

21 (D) fossil fuel, including oil or natural gas; and

22 (3) has been approved by a majority of the voters in an  
23 election held under AS 44.83.385.

24 \* Sec. 4. AS 44.83 is amended by adding a new section to read:

25 Sec. 44.83.385. ELECTIONS ON POWER PROJECTS. (a) Before the  
26 authority may use money in the power development fund established in  
27 AS 44.83.382 to acquire or construct a power project, the power project  
28 must be approved by a majority of the voters at an election held under  
29 this section. However, the authority may use money in the power develop-

1 ment fund for a feasibility study required by AS 44.83.380(b) without  
2 voter approval under this section.

3 (b) Before an election is held under this section the authority  
4 shall determine in writing the amount of money from the power develop-  
5 ment fund the authority intends to use to acquire or construct a power  
6 project. The authority shall then provide a copy of its written deter-  
7 mination, together with a description of the area that will be served by  
8 the power project, to the division of elections, Office of the Lieutenant  
9 Governor, the division of budget and management, Office of the Governor,  
10 and to each member of the legislature. If the power project is subject  
11 to review under AS 44.83.177 - 44.83.187, the authority shall prepare  
12 its written determination under this subsection after the division of  
13 budget and management submits its report under AS 44.83.183(c). If the  
14 power project is not subject to review under AS 44.83.177 - 44.83.187,  
15 the authority shall prepare its written determination under this sub-  
16 section after the division of budget and management approves a deter-  
17 mination under AS 44.83.394 that the power project is economically  
18 feasible.

19 (c) After receipt of a written determination under (b) of this  
20 section, the division of elections shall conduct a special election in  
21 the area that will be served by the power project as that area is de-  
22 scribed by the authority under (b) of this section. The special election  
23 shall be held in accordance with the procedures in AS 29.68.090. The  
24 question that the voters will decide at the special election is whether  
25 the authority may acquire or construct the power project. The ballot  
26 must include a statement of the amount of money determined under (b) of  
27 this section to be used to acquire or construct the power project.

28 (d) The authority shall include with its written determination  
29 under (b) of this section a description of the power project which

1 includes a statement of the total cost of the power project and a state-  
2 ment of the anticipated social, environmental, and economic impacts of  
3 the power project in the area in which the power project will be lo-  
4 cated. The description shall be reviewed and approved by the division  
5 of budget and management. The division of elections shall deliver the  
6 description of the power project to the area in which the special elec-  
7 tion will be held. The delivery shall be by individual mailings to each  
8 registered voter in the area, by publication and distribution of a  
9 voters' pamphlet, by publication in a newspaper of general circulation  
10 in the area, or by another method that the division of elections deter-  
11 mines is reasonably likely to provide the voters with notice of the  
12 description. The delivery shall be completed at least three weeks  
13 before the special election is conducted.

14 (e) The authority may withdraw a written determination prepared  
15 under (b) of this section or a description prepared under (d) of this  
16 section at any time before the special election is conducted by notifying  
17 the division of elections, the division of budget and management, and  
18 each member of the legislature of the withdrawal in writing.

19 (f) If, due to a substantial change in or addition to the acquisi-  
20 tion or construction of a power project that has been approved by the  
21 voters in a special election held under (c) of this section, the author-  
22 ity determines that additional money from the power development fund is  
23 necessary for the power project, the authority must seek another a  
24 special election in accordance with (a) - (e) of this section before the  
25 additional money may be used. For the purposes of this subsection the  
26 division of budget and management shall determine whether a change in or  
27 addition to the acquisition or construction of a power project is sub-  
28 stantial.

29 (g) This section applies to a power project on which construction

1 has begun at the time the authority seeks to acquire the power project  
2 and to other power projects to be acquired or constructed by the author-  
3 ity.

4 \* Sec. 5. AS 44.83.394 is amended to read:

5 Sec. 44.83.394. REVENUE REQUIREMENTS. The authority may not use  
6 money in the fund for a power project [EXCEPT IN COMPLIANCE WITH AS 44.  
7 83.177 - 44.83.187, AND] unless, within one year before using the money,  
8 the authority determines that the power project is economically feasible  
9 and the division of budget and management in the Office of the Governor  
10 approves the authority's finding. In determining whether a power pro-  
11 ject is economically feasible under this section, the authority may rely  
12 upon a feasibility study prepared for the power project under AS 44.83.-  
13 181 if that feasibility study is not more than one year old. If the  
14 feasibility study is more than one year old, the authority may revise  
15 the feasibility study and rely upon the revised feasibility study  
16 [THAT, AFTER CONSTRUCTION, OPERATION OF THE POWER PROJECT WILL BE ABLE  
17 TO PROVIDE REVENUE SUFFICIENT TO RETURN ANNUALLY TO THE STATE FIVE  
18 PERCENT OF THE AMOUNT THAT THE AUTHORITY HAS SPENT FROM THE FUND FOR THE  
19 POWER PROJECT].

20 \* Sec. 6. AS 44.83.398(a) is amended by adding a new paragraph to read:

21 (3) to establish a rate structure for the sale of power at  
22 retail to all classes of consumers including industrial consumers that  
23 complies with the requirements of (h) - (k) of this section.

24 \* Sec. 7. AS 44.83.398(b) is repealed and reenacted to read:

25 (b) The authority shall establish and maintain a wholesale power  
26 rate applicable to a power project that it acquires or constructs under  
27 the energy program for Alaska. Beginning in the year in which a power  
28 project becomes functional, the authority annually shall compute the  
29 wholesale power rate applicable to the power project. The authority

1 shall, by regulation, establish a method for applying a wholesale power  
2 rate to various types of power projects and shall, by regulation, estab-  
3 lish a procedure for the adjustment of a wholesale power rate to compen-  
4 sate for an overestimate or underestimate in a previous year of the  
5 amounts described in (1) and (2) of this subsection. Except for adjust-  
6 ments provided by regulation under this subsection, the wholesale power  
7 rate must equal the rate that the authority estimates is necessary to  
8 provide

9 (1) program receipts sufficient to pay, beginning in the year  
10 in which the power project becomes functional,

11 (A) operation, maintenance, and equipment replacement  
12 costs, including costs of a loan attributable to this paragraph  
13 under AS 44.83.399 of the power project;

14 (B) debt service on bonds issued for the power project,  
15 if any; and

16 (C) safety inspections and investigations of the power  
17 project by the authority; and

18 (2) a return to the state of its investment in the power  
19 project, with adjustments for inflation, as provided in (f) - (h) of  
20 this section, over a 33-1/3 year period, or over a period equal to  
21 three-fourths of the life of the project as determined by the authority,  
22 whichever is less.

23 \* Sec. 8. AS 44.83.398 is amended by adding new subsections to read:

24 (f) For the purposes of (b)(2) of this section, the authority, at  
25 the time it initially establishes a wholesale power rate applicable to a  
26 power project, shall determine the average rate of inflation, based on  
27 the federal consumer price index for the United States for the 33-year  
28 period preceding the establishment of the wholesale power rate. Every  
29 10 years after the initial establishment of a wholesale power rate, the

1 authority shall reevaluate the average rate of inflation for the 33-year  
2 period preceding the recalculation.

3 (g) For the first year in which a wholesale power rate is in  
4 effect, the authority shall determine the amount to be returned to the  
5 state under (b)(2) of this section by multiplying the state's investment  
6 in the power project by the quotient achieved from dividing the period  
7 of time described in (b)(2) of this section into one. For each subse-  
8 quent year, the authority shall determine the amount to be returned to  
9 the state under (b)(2) of this section by multiplying the amount deter-  
10 mined under this subsection for the preceding year by the sum of one  
11 plus the average rate of inflation calculated by the authority under (f)  
12 of this section. After the period of time described in (b)(2) of this  
13 section, the amount to be returned to the state under (b)(2) of this  
14 section is zero unless other state investments in the power project are  
15 made after the wholesale power rate is initially established. For a  
16 state investment in a power project made after the initial wholesale  
17 power rate is established, the authority shall separately determine the  
18 amount to be returned to the state under (b)(2) of this section in the  
19 manner provided in this subsection.

20 (h) A rate structure established under (a)(3) of this section  
21 shall consist of at least two rates. The utility shall charge the  
22 lowest rate to consumers for the first 250 kilowatt hours of power used  
23 during a monthly billing period. For residential consumers the utility  
24 shall specify successively higher ranges of power usage to which suc-  
25 cessively higher rates within its rate structure apply. A rate struc-  
26 ture established under (a)(3) of this section must, to the maximum  
27 extent possible, encourage efficient use of power by residential con-  
28 sumers.

29 (i) The lowest rate charged to a consumer under (h) of this sec-

1 tion may not exceed an amount that represents the consumer's propor-  
2 tionate share of the utility's administrative costs, the utility's costs  
3 under (b)(1) of this section, the utility's cost of providing supple-  
4 mental power generation within the area served by the utility, the  
5 utility's distribution costs, and the utility's return on its invest-  
6 ment. However, if the authority determines that a higher rate is neces-  
7 sary in order to allow a utility to pay the wholesale power rate re-  
8 quired by (b) of this section, the authority may authorize that higher  
9 rate.

10 (j) At least two weeks before a utility establishes or amends a  
11 rate structure under (a)(3) of this section, the utility shall conduct a  
12 public hearing within the area served by the utility to explain the  
13 proposed rate structure or amendment and to receive comments from the  
14 public. The utility shall provide public notice of the hearing at least  
15 two weeks before the hearing is held. The utility may provide the  
16 public notice by newspaper or radio or by posting the notice within the  
17 area served by the public utility.

18 (k) The authority shall adopt regulations in accordance with the  
19 Administrative Procedure Act (AS 44.62) to implement (a)(3) and (h) -  
20 (j) of this section.

21 (l) In this section, "the state's investment in the power project"  
22 means the total amount invested by the state for the acquisition or  
23 construction of a power project, including loans and grants from the  
24 state, other than loans or grants made for the purposes described in  
25 (b)(1) of this section and other than loans made from the proceeds of  
26 bonds issued for the power project.

27 \* Sec. 9. AS 44.83 is amended by adding a new section to read:

28 Sec. 44.83.399. POWER PROJECT EMERGENCY MAINTENANCE FUND. There  
29 is established in the authority the power project emergency maintenance

1 fund. The power project emergency maintenance fund consists of money  
2 appropriated to it by the legislature. The authority may use money in  
3 the power project emergency maintenance fund to pay the cost of mainte-  
4 nance, including equipment replacement, of a power project it acquires  
5 or constructs under the energy program for Alaska if other appropria-  
6 tions are not available or are insufficient to pay that cost. For the  
7 purposes of AS 44.83.398(h), the use of money in the power project  
8 maintenance fund for a power project is a loan to the power project for  
9 a purpose described in AS 44.83.398(b)(1) bearing interest at nine  
10 percent a year and with a term determined by the authority but not to  
11 exceed 30 years. The authority shall, in its annual budget request under  
12 AS 44.83.210, request an appropriation to repay a loan under this  
13 section. If the appropriation is made, the use of the money is a grant  
14 that is a state investment in the power project for the purposes of  
15 AS 44.83.398(h).

16 \* Sec. 10. The provisions of AS 44.83.384(b)(3), added by sec. 3 of this  
17 Act, and AS 44.83.385, added by sec. 4 of this Act, do not apply to a power  
18 project on which construction has begun before the effective date of this Act  
19 notwithstanding the provisions of AS 44.83.385(g).

20 \* Sec. 11. AS 44.83.390 and 44.83.398(c) are repealed.  
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Original sponsor: Resources Committee

Offered: 3/31/82  
Referred: Finance

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 CS FOR HOUSE BILL NO. 758 (Resources)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska Power Authority."

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

8 \* Section 1. AS 44.83.090(b) is amended to read:

9 (b) The authority is not subject to the jurisdiction of the Alaska  
10 Public Utilities Commission. Except as provided in AS 44.83.398(h) -  
11 (j), nothing [NOTHING] in AS 44.83.010 - 44.83.510 grants the authority  
12 any jurisdiction over the services or rates of any public utility or  
13 diminishes or otherwise alters the jurisdiction of the Alaska Public  
14 Utilities Commission with respect to any public utility including any  
15 right the commission may have to review and approve or disapprove con-  
16 tracts for the purchase of electricity by a public utility.

17 \* Sec. 2. AS 44.83.110 is amended by adding a new subsection to read:

18 (h) If the authority decides to covenant to issue bonds or to  
19 issue bonds secured by a capital reserve fund, the bonds may not be  
20 issued until 10 days after the authority has mailed notification to the  
21 State Bond Committee and the Legislative Budget and Audit Committee by  
22 certified mail of its intention to establish a capital reserve fund to  
23 secure the bond issue. The notification shall include the amount of the  
24 capital reserve fund to be established, the amount of bonds proposed to  
25 be issued, and the total cost of the project for which the bonds are to  
26 be issued. The notification shall be accompanied by an estimate by the  
27 authority of the need to withdraw money from the capital reserve fund  
28 during the term of the bond issue, the amount that it may be necessary  
29 to withdraw, and the time at which withdrawals are estimated to be

1 needed. The authority shall annually prepare a revised estimate,  
2 considering the same factors, and a statement of all withdrawals that  
3 have occurred from the date of issuance of the bonds to the end of the  
4 calendar year. The revised estimate and statement shall be submitted to  
5 the State Bond Committee and the Legislative Budget and Audit Committee  
6 by January 30 of the succeeding year.

7 \* Sec. 3. AS 44.83.181(b)(1) is amended to read:

8 (1) information about the proposed project, including but  
9 not limited to estimates of total project construction costs, total  
10 project operating costs, the costs of transmission systems and reserve  
11 power requirements, the timing and amount of anticipated returns from  
12 the completed project, a benefit-to-cost ratio, the potential effect  
13 of the project on the environment of the area which will be served by  
14 the project when completed including, when appropriate, recommended  
15 measures to mitigate damage to fisheries and wildlife resources and mea-  
16 sures to protect or enhance fisheries and wildlife resources, and the  
17 availability of alternative government financing;

18 \* Sec. 4. AS 44.83.185(c) is amended to read:

19 (c) The legislature shall consider and must approve all proposed  
20 new projects except proposed new projects that are exempt under AS 44.-  
21 83.187. The legislature may approve a proposed new project only by  
22 enacting law that authorizes the project and approves a maximum con-  
23 struction cost for [AUTHORIZING] that project.

24 \* Sec. 5. AS 44.83 is amended by adding a new section to read:

25 Sec. 44.83.186. FINAL COST ESTIMATE AND REAUTHORIZATION BY THE  
26 LEGISLATURE. If a project is approved under AS 44.83.185(c), the  
27 authority shall obtain a final cost estimate for the project from an  
28 independent source qualified to make such an estimate. If the final  
29 cost estimate does not exceed the cost estimate presented by the

1 authority to the legislature under AS 44.83.185 by more than five  
2 percent, the authority may proceed with the construction of the project.  
3 If the final cost estimate exceeds the cost estimate presented by the  
4 authority to the legislature under AS 44.83.185 by more than five  
5 percent, the authority shall revise its feasibility study and, if it  
6 determines that the project remains feasible, the authority shall  
7 submit the revised feasibility study and the independent cost estimate  
8 to the legislature. A proposed project that is returned for reconsider-  
9 ation by the legislature under this section may not be constructed  
10 unless the legislature reauthorizes it by enacting law for that purpose.

11 \* Sec. 6. AS 44.83.189 is amended by adding a new subsection to read:

12 (b) A contractor who has participated in the preparation of the  
13 feasibility study for or in the engineering design of the project may  
14 not participate in the construction management or the construction of  
15 the project by the authority.

16 \* Sec. 7. AS 44.83.380(b) is amended to read:

17 (b) The energy program for Alaska is a program by which the au-  
18 thority may acquire or construct power projects with money appropriated  
19 by the legislature to the power development fund established in AS 44.-  
20 83.382. A power project may be acquired or constructed as part of the  
21 energy program for Alaska only if

22 (1) for a power project that will generate more than 1.5  
23 megawatts of power and on which construction has not begun.

24 (A) the power project is submitted to and approved by  
25 the legislature in accordance with procedures set out in AS 44.-  
26 83.177 - 44.83.187; and

27 (B) the authority makes the determinations required by  
28 AS 44.83.394 with respect to the power project;

29 (2) for a power project that will generate more than 1.5

1 megawatts of power and on which construction has begun or is completed,  
2 the authority makes the determinations required by AS 44.83.394 with re-  
3 spect to the power project; and

4 (3) for a power project that will generate 1.5 megawatts  
5 of power or less, on which construction has not begun, the authority  
6 prepares a feasibility study for the power project in accordance with  
7 AS 44.83.181 and makes the determinations required by AS 44.83.394 with  
8 respect to the power project.

9 \* Sec. 8. AS 44.83.382(b) is amended to read:

10 (b) The fund consists of [INCLUDES  
11 (1)] money appropriated to it by the legislature [; AND  
12 (2) REVENUES COLLECTED FROM THE SALE OF POWER THAT ARE NOT  
13 REQUIRED BY LAW TO BE DEPOSITED INTO THE GENERAL FUND].

14 \* Sec. 9. AS 44.83.384(b) is amended to read:

15 (b) Money in the fund may be used under (a) of this section only  
16 for a power project that  
17 (1) meets the revenue requirements of AS 44.83.394; [AND]  
18 (2) provides the lowest reasonable power cost to utility  
19 customers in the market area for the estimated life of the power project,  
20 whether operated by itself or in conjunction with other power projects  
21 in the market area, and that operates or will operate on one or more of  
22 the following:

23 (A) renewable energy resources, including but not limited  
24 to hydroelectric power, wind, biomass, geothermal, tidal or solar  
25 energy, or a method that uses temperature differentials or other  
26 physical properties of the ocean;

27 (B) coal or peat;

28 (C) energy derived from waste heat; or

29 (D) fossil fuel, including oil or natural gas; and

1                   (3) has been approved by a majority of the voters in an  
2 election held under AS 44.83.385.

3 \* Sec. 10. AS 44.83 is amended by adding a new section to read:

4           Sec. 44.83.385. ELECTIONS ON POWER PROJECTS. (a) Before the  
5 authority may use money in the power development fund established in  
6 AS 44.83.382 to acquire or construct a power project, the power project  
7 must be approved by a majority of the voters at an election held under  
8 this section. However, the authority may use money in the power develop-  
9 ment fund for a feasibility study required by AS 44.83.380(b) without  
10 voter approval under this section.

11           (b) Before an election is held under this section the authority  
12 shall determine in writing the amount of money from the power develop-  
13 ment fund the authority intends to use to acquire or construct a power  
14 project. The authority shall then provide a copy of its written deter-  
15 mination, together with a description of the area that will be served by  
16 the power project, to the division of elections, Office of the Lieutenant  
17 Governor, the division of budget and management, Office of the Governor,  
18 and to each member of the legislature. If the power project is subject  
19 to review under AS 44.83.177 - 44.83.187, the authority shall prepare  
20 its written determination under this subsection after the division of  
21 budget and management submits its report under AS 44.83.183(c). If the  
22 power project is not subject to review under AS 44.83.177 - 44.83.187,  
23 the authority shall prepare its written determination under this sub-  
24 section after the division of budget and management approves a deter-  
25 mination under AS 44.83.394 that the power project is economically  
26 feasible.

27           (c) After receipt of a written determination under (b) of this  
28 section, the division of elections shall conduct a special election in  
29 the area that will be served by the power project as that area is de-

1 scribed by the authority under (b) of this section. The special election  
2 shall be held in accordance with the procedures in AS 29.68.090. The  
3 question that the voters will decide at the special election is whether  
4 the authority may acquire or construct the power project. The ballot  
5 must include a statement of the amount of money determined under (b) of  
6 this section to be used to acquire or construct the power project.

7 (d) The authority shall include with its written determination  
8 under (b) of this section a description of the power project that  
9 includes a statement of the total cost of the power project and a state-  
10 ment of the anticipated social, environmental, and economic impacts of  
11 the power project in the area in which the power project will be lo-  
12 cated. The description shall be reviewed and approved by the division  
13 of budget and management. The division of elections shall deliver the  
14 description of the power project to the area in which the special elec-  
15 tion will be held. The delivery shall be by individual mailings to each  
16 registered voter in the area, by publication and distribution of a  
17 voters' pamphlet, by publication in a newspaper of general circulation  
18 in the area, or by another method that the division of elections deter-  
19 mines is reasonably likely to provide the voters with notice of the  
20 description. The delivery shall be completed at least three weeks  
21 before the special election is conducted.

22 (e) The authority may withdraw a written determination prepared  
23 under (b) of this section or a description prepared under (d) of this  
24 section at any time before the special election is conducted by notify-  
25 ing the division of elections, the division of budget and management,  
26 and each member of the legislature of the withdrawal in writing.

27 (f) If, due to a substantial change in or addition to the acquisi-  
28 tion or construction of a power project that has been approved by the  
29 voters in a special election held under (c) of this section, the author-

1 ity determines that additional money from the power development fund is  
2 necessary for the power project, the authority must seek another special  
3 election in accordance with (a) - (e) of this section before the addi-  
4 tional money may be used. For the purposes of this subsection the  
5 division of budget and management shall determine whether a change in or  
6 addition to the acquisition or construction of a power project is sub-  
7 stantial.

8 (g) This section applies to a power project on which construction  
9 has begun at the time the authority seeks to acquire the power project  
10 and to other power projects to be acquired or constructed by the author-  
11 ity.

12 \* Sec. 11. AS 44.83.394 is amended to read:

13 Sec. 44.83.394. REVENUE REQUIREMENTS. The authority may not use  
14 money in the fund for a power project [EXCEPT IN COMPLIANCE WITH AS 44.-  
15 83.177 - 44.83.187, AND] unless, within one year before using the money,  
16 the authority determines that the power project is economically feasible  
17 and the division of budget and management in the Office of the Governor  
18 approves the authority's finding. In determining whether a power pro-  
19 ject is economically feasible under this section, the authority may rely  
20 upon a feasibility study prepared for the power project under AS 44.83.-  
21 181 if that feasibility study is not more than one year old. If the  
22 feasibility study is more than one year old, the authority may revise  
23 the feasibility study and rely upon the revised feasibility study  
24 [THAT, AFTER CONSTRUCTION, OPERATION OF THE POWER PROJECT WILL BE ABLE  
25 TO PROVIDE REVENUE SUFFICIENT TO RETURN ANNUALLY TO THE STATE FIVE  
26 PERCENT OF THE AMOUNT THAT THE AUTHORITY HAS SPENT FROM THE FUND FOR THE  
27 POWER PROJECT].

28 \* Sec. 12. AS 44.83.398(a) is amended to read:

29 (a) The authority shall sell power produced from power projects

1 acquired or constructed under the energy program for Alaska. A utility  
2 that purchases power produced by a power project of the authority shall  
3 agree with the authority

4 (1) to give preference in the sale of power at retail to all  
5 classes of customers [CONSUMERS] of power except industrial customers  
6 [CONSUMERS];

7 (2) to charge industrial customers [CONSUMERS] of power a  
8 rate determined by the authority in accordance with (d) of this section;

9 (3) to establish a rate structure for the sale of power at  
10 retail to all classes of customers including industrial customers that  
11 complies with the requirements of (h) - (k) of this section.

12 \* Sec. 13. AS 44.83.398(b) is repealed and reenacted to read:

13 (b) The authority shall establish and maintain a wholesale power  
14 rate applicable to a power project that it acquires or constructs under  
15 the energy program for Alaska. Beginning in the year in which a power  
16 project becomes functional, the authority annually shall compute the  
17 wholesale power rate applicable to the power project. The authority  
18 shall, by regulation, establish a method for applying a wholesale power  
19 rate to various types of power projects and shall, by regulation, estab-  
20 lish a procedure for the adjustment of a wholesale power rate to compen-  
21 sate for an overestimate or underestimate in a previous year of the  
22 amounts described in (1) and (2) of this subsection. Except for adjust-  
23 ments provided by regulation under this subsection, the wholesale power  
24 rate must equal the rate that the authority estimates is necessary to  
25 provide

26 (1) program receipts sufficient to pay, beginning in the year  
27 in which the power project becomes functional,

28 (A) operation, maintenance, and equipment replacement  
29 costs, including costs of a loan attributable to this paragraph

1 under AS 44.83.399 of the power project;

2 (B) debt service on bonds issued for the power project,  
3 if any; and

4 (C) safety inspections and investigations of the power  
5 project by the authority; and

6 (2) a return to the state of its investment in the power  
7 project, with adjustments for inflation, as provided in (f) - (h) of  
8 this section, over a 33-1/3 year period, or over a period equal to  
9 three-fourths of the life of the project as determined by the authority,  
10 whichever is less.

11 \* Sec. 14. AS 44.83.398(d) is amended to read:

12 (d) A rate for an industrial customer [CONSUMER] under (a)(2) of  
13 this section

14 (1) may exceed the wholesale power rate determined under (b)  
15 of this section;

16 (2) may not be less than the rate charged residential cus-  
17 tomers [CONSUMERS].

18 \* Sec. 15. AS 44.83.398 is amended by adding new subsections to read:

19 (f) For the purposes of (b)(2) of this section, the authority, at  
20 the time it initially establishes a wholesale power rate applicable to a  
21 power project, shall determine the average rate of inflation, based on  
22 the federal consumer price index for the United States for the 33-year  
23 period preceding the establishment of the wholesale power rate. Every  
24 10 years after the initial establishment of a wholesale power rate, the  
25 authority shall calculate the average rate of inflation for the preceding  
26 33-year period and increase the wholesale power rate by a percentage  
27 equal to the increase in the average rate of inflation for the preceding  
28 33 years or for the preceding 10 years, whichever is less.

29 (g) For the first year in which a wholesale power rate is in

1 effect, the authority shall determine the amount to be returned to the  
2 state under (b)(2) of this section by multiplying the state's investment  
3 in the power project by the quotient achieved from dividing the period  
4 of time described in (b)(2) of this section into one. For each subse-  
5 quent year, the authority shall determine the amount to be returned to  
6 the state under (b)(2) of this section by multiplying the amount deter-  
7 mined under this subsection for the preceding year by the sum of one  
8 plus the average rate of inflation calculated by the authority under (f)  
9 of this section. After the period of time described in (b)(2) of this  
10 section, the amount to be returned to the state under (b)(2) of this  
11 section is zero unless other state investments in the power project are  
12 made after the wholesale power rate is initially established. For a  
13 state investment in a power project made after the initial wholesale  
14 power rate is established, the authority shall separately determine the  
15 amount to be returned to the state under (b)(2) of this section in the  
16 manner provided in this subsection.

17 (h) A rate structure established under (a)(3) of this section  
18 shall consist of at least three rates. The lowest rate shall be known  
19 as the "equity rate" and shall be the rate charged by the utility to  
20 customers for the first 250 kilowatt hours of power used during a monthly  
21 billing period. For residential customers the utility shall specify  
22 successively higher ranges of power usage to which successively higher  
23 rates within its rate structure apply.

24 (i) The lowest rate charged to a customer under (h) of this sec-  
25 tion may not exceed an amount that represents the customer's propor-  
26 tionate share of the utility's non-capital costs. However, if the  
27 authority determines that a higher rate is necessary in order to allow a  
28 utility to pay the wholesale power rate required by (b) of this section,  
29 the authority may authorize that higher rate.

1 (j) At least two weeks before a utility establishes or amends a  
2 rate structure under (a)(3) of this section, the utility or the Alaska  
3 Public Utilities Commission shall conduct a public hearing within the  
4 area served by the utility to explain the proposed rate structure or  
5 amendment and to receive comments from the public. The utility shall  
6 provide public notice of the hearing at least two weeks before the  
7 hearing is held. The utility may provide the public notice by newspaper  
8 or radio or by posting the notice within the area served by the public  
9 utility.

10 (k) In addition to the requirements of (h) - (j) of this section  
11 relating to a utility's rate structure, a utility that is subject to the  
12 jurisdiction of the Alaska Public Utilities Commission must comply with  
13 the provisions of AS 42.05.361 - 42.05.441. Nothing in this section  
14 affects the authority of the Alaska Public Utilities Commission under  
15 AS 42.05.361 - 42.05.441.

16 (l) The authority shall adopt regulations in accordance with the  
17 Administrative Procedure Act (AS 44.62) to implement (a)(3) and (h) -  
18 (j) of this section.

19 (m) In this section,

20 (1) "the state's investment in the power project" means the  
21 total amount invested by the state for the acquisition or construction  
22 of a power project, including loans and grants from the state, other  
23 than loans or grants made for the purposes described in (b)(1) of this  
24 section and other than loans made from the proceeds of bonds issued for  
25 the power project;

26 (2) "non-capital costs" means a utility's costs other than  
27 costs under (b)(1)(B) and (b)(2) of this section.

28 \* Sec. 16. AS 44.83 is amended by adding a new section to read:

29 Sec. 44.83.399. POWER PROJECT EMERGENCY MAINTENANCE FUND. There

1 is established in the authority the power project emergency maintenance  
2 fund. The power project emergency maintenance fund consists of money  
3 appropriated to it by the legislature. The authority may use money in  
4 the power project emergency maintenance fund to pay the cost of mainte-  
5 nance, including equipment replacement, of a power project it acquires  
6 or constructs under the energy program for Alaska if other appropria-  
7 tions are not available or are insufficient to pay that cost. For the  
8 purposes of AS 44.83.398(h), the use of money in the power project main-  
9 tenance fund for a power project is a loan to the power project for a  
10 purpose described in AS 44.83.398(b)(1) bearing interest at nine percent  
11 a year and with a term determined by the authority but not to exceed 30  
12 years. The authority shall, in its annual budget request under AS 44.83.-  
13 210, request an appropriation to repay a loan under this section. If  
14 the appropriation is made, the use of the money is a grant that is a  
15 state investment in the power project for the purposes of AS 44.83.-  
16 398(h).

17 \* Sec. 17. AS 44.83.425(4) is amended to read:

18 (4) "industrial customer [CONSUMER]" means a customer of a  
19 utility which customer has a peak power demand in excess of 500 kilowatts  
20 and uses the power principally for

21 (A) manufacturing;

22 (B) pipeline transportation;

23 (C) the recovery or processing of minerals;

24 (D) the processing of timber, agricultural, or seafood  
25 products or their by-products; or

26 (E) the operation of facilities owned by the federal  
27 government;

28 \* Sec. 18. AS 44.83.390 and 44.83.398(c) are repealed.

29 \* Sec. 19. The provisions of AS 44.83.384(b)(3), added by sec. 9 of this

1 Act, and AS 44.83.385, added by sec. 10 of this Act, do not apply to a power  
2 project on which construction has begun before the effective date of this Act  
3 notwithstanding the provisions of AS 44.83.385(g).

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FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 758  
 Title Relating to the Energy Program for Alaska  
 Requested by House Resources Committee Date March 20, 1982

II. FISCAL DETAIL

Agency Affected Alaska Power Authority  
 Program Category Affected Operations  
 BRU, Program, Or Subprogram(s) Affected \_\_\_\_\_  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES	0	0	0	0	0	0
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>	<b>0</b>					

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND	0					
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME	0					
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

This bill has no fiscal impact upon APA operations.

IV. DATE March 24, 1982 PREPARED BY Terry McQuire  
 Original: Legislative Finance AGENCY Alaska Power Authority  
 cc: Budget and Management PHONE 277-7641  
 Prime Sponsor (First Legislator Named)  
 33-001 (Rev. 12/81)

# COMMITTEE REPORT

## HOUSE

FURTHER:

(11)

3/31/82

Date: \_\_\_\_\_

Mr. Speaker:

The Committee on FINANCE has had HB 758

"An Act relating to the energy program for Alaska."

under consideration and reports it back as follows:

- do pass  do not pass
- do pass with attached amendments(s)
- replace with CS for \_\_\_\_\_  same title  
 new title
- and recommends \_\_\_\_\_
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

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CHAIRMAN

COMMITTEE REPORT

HOUSE

3/31

FURTHER: FINANCE

(7)

2/11/82

Date: March 30, 1982

Mr. Speaker:

The Committee on RESOURCES has had HB 758

"An Act relating to the energy program for Alaska."

under consideration and reports it back with the following recommendations:

- do pass  do not pass
- do pass with attached amendments(s)
- replace with CS for HB 758 (Resources)  same title  
 new title
- and recommends \_\_\_\_\_

- AND attaches a "Letter of Intent"  New Fiscal Note zero
- reports it back without <sup>individual</sup> recommendations,
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING DO PASS

MEMBERS HAVING OTHER RECOMMENDATIONS:

Anthony Vaska

John Lumsden

Eric Sutchffe

\_\_\_\_\_

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Rich Halpern Do Not Pass

Ken Fanning Do Not Pass

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\_\_\_\_\_

\_\_\_\_\_

Eric G. Sutchffe  
CHAIRMAN

*Sofo*

Original sponsor: Resources Committee

Offered: 3/31/82  
Referred: Finance

1 IN THE HOUSE BY THE RESOURCES COMMITTEE

2 CS FOR HOUSE BILL NO. 758 (Resources)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska Power Authority."

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

8 \* Section 1. AS 44.83.090(b) is amended to read:

9 (b) The authority is not subject to the jurisdiction of the Alaska  
10 Public Utilities Commission. Except as provided in AS 44.83.398(h) -  
11 (i), nothing [NOTHING] in AS 44.83.010 - 44.83.510 grants the authority  
12 any jurisdiction over the services or rates of any public utility or  
13 diminishes or otherwise alters the jurisdiction of the Alaska Public  
14 Utilities Commission with respect to any public utility including any  
15 right the commission may have to review and approve or disapprove con-  
16 tracts for the purchase of electricity by a public utility.

17 \* Sec. 2. AS 44.83.110 is amended by adding a new subsection to read:

18 (h) If the authority decides to covenant to issue bonds or to  
19 issue bonds secured by a capital reserve fund, the bonds may not be  
20 issued until 10 days after the authority has mailed notification to the  
21 State Bond Committee and the Legislative Budget and Audit Committee by  
22 certified mail of its intention to establish a capital reserve fund to  
23 secure the bond issue. The notification shall include the amount of the  
24 capital reserve fund to be established, the amount of bonds proposed to  
25 be issued, and the total cost of the project for which the bonds are to  
26 be issued. The notification shall be accompanied by an estimate by the  
27 authority of the need to withdraw money from the capital reserve fund  
28 during the term of the bond issue, the amount that it may be necessary  
29 to withdraw, and the time at which withdrawals are estimated to be

*Zero Fuste*

1 needed. The authority shall annually prepare a revised estimate,  
2 considering the same factors, and a statement of all withdrawals that  
3 have occurred from the date of issuance of the bonds to the end of the  
4 calendar year. The revised estimate and statement shall be submitted to  
5 the State Bond Committee and the Legislative Budget and Audit Committee  
6 by January 30 of the succeeding year.

7 \* Sec. 3. AS 44.83.181(b)(1) is amended to read:

8 (1) information about the proposed project, including but  
9 not limited to estimates of total project construction costs, total  
10 project operating costs, the costs of transmission systems and reserve  
11 power requirements, the timing and amount of anticipated returns from  
12 the completed project, a benefit-to-cost ratio, the potential effect  
13 of the project on the environment of the area which will be served by  
14 the project when completed including, when appropriate, recommended  
15 measures to mitigate damage to fisheries and wildlife resources and mea-  
16 sures to protect or enhance fisheries and wildlife resources, and the  
17 availability of alternative government financing;

18 \* Sec. 4. AS 44.83.185(c) is amended to read:

19 (c) The legislature shall consider and must approve all proposed  
20 new projects except proposed new projects that are exempt under AS 44.-  
21 83.187. The legislature may approve a proposed new project only by  
22 enacting law that authorizes the project and approves a maximum con-  
23 struction cost for [AUTHORIZING] that project.

24 \* Sec. 5. AS 44.83 is amended by adding a new section to read:

25 Sec. 44.83.186. FINAL COST ESTIMATE AND REAUTHORIZATION BY THE  
26 LEGISLATURE. If a project is approved under AS 44.83.185(c), the  
27 authority shall obtain a final cost estimate for the project from an  
28 independent source qualified to make such an estimate. If the final  
29 cost estimate does not exceed the cost estimate presented by the

1 authority to the legislature under AS 44.83.185 by more than five  
2 percent, the authority may proceed with the construction of the project.  
3 If the final cost estimate exceeds the cost estimate presented by the  
4 authority to the legislature under AS 44.83.185 by more than five  
5 percent, the authority shall revise its feasibility study and, if it  
6 determines that the project remains feasible, the authority shall  
7 submit the revised feasibility study and the independent cost estimate  
8 to the legislature. A proposed project that is returned for reconsider-  
9 ation by the legislature under this section may not be constructed  
10 unless the legislature reauthorizes it by enacting law for that purpose.

11 \* Sec. 6. AS 44.83.189 is amended by adding a new subsection to read:

12 (b) A contractor who has participated in the preparation of the  
13 feasibility study for or in the engineering design of the project may  
14 not participate in the construction management or the construction of  
15 the project by the authority.

16 \* Sec. 7. AS 44.83.380(b) is amended to read:

17 (b) The energy program for Alaska is a program by which the au-  
18 thority may acquire or construct power projects with money appropriated  
19 by the legislature to the power development fund established in AS 44.-  
20 83.382. A power project may be acquired or constructed as part of the  
21 energy program for Alaska only if

22 (1) for a power project that will generate more than 1.5  
23 megawatts of power and on which construction has not begun

24 (A) the power project is submitted to and approved by  
25 the legislature in accordance with procedures set out in AS 44.-  
26 83.177 - 44.83.187; and

27 (B) the authority makes the determinations required by  
28 AS 44.83.394 with respect to the power project;

29 (2) for a power project that will generate more than 1.5

1 megawatts of power and on which construction has begun or is completed,  
2 the authority makes the determinations required by AS 44.83.394 with re-  
3 spect to the power project; and

4 (3) for a power project that will generate 1.5 megawatts  
5 of power or less, on which construction has not begun, the authority  
6 prepares a feasibility study for the power project in accordance with  
7 AS 44.83.181 and makes the determinations required by AS 44.83.394 with  
8 respect to the power project.

9 \* Sec. 8. AS 44.83.382(b) is amended to read:

10 (b) The fund consists of [INCLUDES

11 (1)] money appropriated to it by the legislature [; AND

12 (2) REVENUES COLLECTED FROM THE SALE OF POWER THAT ARE NOT  
13 REQUIRED BY LAW TO BE DEPOSITED INTO THE GENERAL FUND].

14 \* Sec. 9. AS 44.83.384(b) is amended to read:

15 (b) Money in the fund may be used under (a) of this section only  
16 for a power project that

17 (1) meets the revenue requirements of AS 44.83.394; [AND]

18 (2) provides the lowest reasonable power cost to utility  
19 customers in the market area for the estimated life of the power project,  
20 whether operated by itself or in conjunction with other power projects  
21 in the market area, and that operates or will operate on one or more of  
22 the following:

23 (A) renewable energy resources, including but not limited  
24 to hydroelectric power, wind, biomass, geothermal, tidal or solar  
25 energy, or a method that uses temperature differentials or other  
26 physical properties of the ocean;

27 (B) coal or peat;

28 (C) energy derived from waste heat; or

29 (D) fossil fuel, including oil or natural gas; and

1                   (3) has been approved by a majority of the voters in an  
2                   election held under AS 44.83.385.

3 \* Sec. 10. AS 44.83 is amended by adding a new section to read:

4                   Sec. 44.83.385. ELECTIONS ON POWER PROJECTS. (a) Before the  
5 authority may use money in the power development fund established in  
6 AS 44.83.382 to acquire or construct a power project, the power project  
7 must be approved by a majority of the voters at an election held under  
8 this section. However, the authority may use money in the power develop-  
9 ment fund for a feasibility study required by AS 44.83.380(b) without  
10 voter approval under this section.

11                   (b) Before an election is held under this section the authority  
12 shall determine in writing the amount of money from the power develop-  
13 ment fund the authority intends to use to acquire or construct a power  
14 project. The authority shall then provide a copy of its written deter-  
15 mination, together with a description of the area that will be served by  
16 the power project, to the division of elections, Office of the Lieutenant  
17 Governor, the division of budget and management, Office of the Governor,  
18 and to each member of the legislature. If the power project is subject  
19 to review under AS 44.83.177 - 44.83.187, the authority shall prepare  
20 its written determination under this subsection after the division of  
21 budget and management submits its report under AS 44.83.183(c). If the  
22 power project is not subject to review under AS 44.83.177 - 44.83.187,  
23 the authority shall prepare its written determination under this sub-  
24 section after the division of budget and management approves a deter-  
25 mination under AS 44.83.394 that the power project is economically  
26 feasible.

27                   (c) After receipt of a written determination under (b) of this  
28 section, the division of elections shall conduct a special election in  
29 the area that will be served by the power project as that area is de-

1 scribed by the authority under (b) of this section. The special election  
2 shall be held in accordance with the procedures in AS 29.68.090. The  
3 question that the voters will decide at the special election is whether  
4 the authority may acquire or construct the power project. The ballot  
5 must include a statement of the amount of money determined under (b) of  
6 this section to be used to acquire or construct the power project.

7 (d) The authority shall include with its written determination  
8 under (b) of this section a description of the power project that  
9 includes a statement of the total cost of the power project and a state-  
10 ment of the anticipated social, environmental, and economic impacts of  
11 the power project in the area in which the power project will be lo-  
12 cated. The description shall be reviewed and approved by the division  
13 of budget and management. The division of elections shall deliver the  
14 description of the power project to the area in which the special elec-  
15 tion will be held. The delivery shall be by individual mailings to each  
16 registered voter in the area, by publication and distribution of a  
17 voters' pamphlet, by publication in a newspaper of general circulation  
18 in the area, or by another method that the division of elections deter-  
19 mines is reasonably likely to provide the voters with notice of the  
20 description. The delivery shall be completed at least three weeks  
21 before the special election is conducted.

22 (e) The authority may withdraw a written determination prepared  
23 under (b) of this section or a description prepared under (d) of this  
24 section at any time before the special election is conducted by notify-  
25 ing the division of elections, the division of budget and management,  
26 and each member of the legislature of the withdrawal in writing.

27 (f) If, due to a substantial change in or addition to the acquisi-  
28 tion or construction of a power project that has been approved by the  
29 voters in a special election held under (c) of this section, the author-

1 ity determines that additional money from the power development fund is  
2 necessary for the power project, the authority must seek another special  
3 election in accordance with (a) - (e) of this section before the addi-  
4 tional money may be used. For the purposes of this subsection the  
5 division of budget and management shall determine whether a change in or  
6 addition to the acquisition or construction of a power project is sub-  
7 stantial.

8 (g) This section applies to a power project on which construction  
9 has begun at the time the authority seeks to acquire the power project  
10 and to other power projects to be acquired or constructed by the author-  
11 ity.

12 \* Sec. 11. AS 44.83.394 is amended to read:

13 Sec. 44.83.394. REVENUE REQUIREMENTS. The authority may not use  
14 money in the fund for a power project [EXCEPT IN COMPLIANCE WITH AS 44.-  
15 83.177 - 44.83.187, AND] unless, within one year before using the money,  
16 the authority determines that the power project is economically feasible  
17 and the division of budget and management in the Office of the Governor  
18 approves the authority's finding. In determining whether a power pro-  
19 ject is economically feasible under this section, the authority may rely  
20 upon a feasibility study prepared for the power project under AS 44.83.-  
21 181 if that feasibility study is not more than one year old. If the  
22 feasibility study is more than one year old, the authority may revise  
23 the feasibility study and rely upon the revised feasibility study  
24 [THAT, AFTER CONSTRUCTION, OPERATION OF THE POWER PROJECT WILL BE ABLE  
25 TO PROVIDE REVENUE SUFFICIENT TO RETURN ANNUALLY TO THE STATE FIVE  
26 PERCENT OF THE AMOUNT THAT THE AUTHORITY HAS SPENT FROM THE FUND FOR THE  
27 POWER PROJECT].

28 \* Sec. 12. AS 44.83.398(a) is amended to read:

29 (a) The authority shall sell power produced from power projects

1 acquired or constructed under the energy program for Alaska. A utility  
2 that purchases power produced by a power project of the authority shall  
3 agree with the authority

4 (1) to give preference in the sale of power at retail to all  
5 classes of customers [CONSUMERS] of power except industrial customers  
6 [CONSUMERS];

7 (2) to charge industrial customers [CONSUMERS] of power a  
8 rate determined by the authority in accordance with (d) of this section;

9 (3) to establish a rate structure for the sale of power at  
10 retail to all classes of customers including industrial customers that  
11 complies with the requirements of (h) - (k) of this section.

12 \* Sec. 13. AS 44.83.393(b) is repealed and reenacted to read:

13 (b) The authority shall establish and maintain a wholesale power  
14 rate applicable to a power project that it acquires or constructs under  
15 the energy program for Alaska. Beginning in the year in which a power  
16 project becomes functional, the authority annually shall compute the  
17 wholesale power rate applicable to the power project. The authority  
18 shall, by regulation, establish a method for applying a wholesale power  
19 rate to various types of power projects and shall, by regulation, estab-  
20 lish a procedure for the adjustment of a wholesale power rate to compen-  
21 sate for an overestimate or underestimate in a previous year of the  
22 amounts described in (1) and (2) of this subsection. Except for adjust-  
23 ments provided by regulation under this subsection, the wholesale power  
24 rate must equal the rate that the authority estimates is necessary to  
25 provide

26 (1) program receipts sufficient to pay, beginning in the year  
27 in which the power project becomes functional,

28 (A) operation, maintenance, and equipment replacement  
29 costs, including costs of a loan attributable to this paragraph

1 under AS 44.83.399 of the power project;

2 (B) debt service on bonds issued for the power project,  
3 if any; and

4 (C) safety inspections and investigations of the power  
5 project by the authority; and

6 (2) a return to the state of its investment in the power  
7 project, with adjustments for inflation, as provided in (f) - (h) of  
8 this section, over a 33-1/3 year period, or over a period equal to  
9 three-fourths of the life of the project as determined by the authority,  
10 whichever is less.

11 \* Sec. 14. AS 44.83.398(d) is amended to read:

12 (d) A rate for an industrial customer [CONSUMER] under (a)(2) of  
13 this section

14 (1) may exceed the wholesale power rate determined under (b)  
15 of this section;

16 (2) may not be less than the rate charged residential cus-  
17 tomers [CONSUMERS].

18 \* Sec. 15. AS 44.83.398 is amended by adding new subsections to read:

19 (f) For the purposes of (b)(2) of this section, the authority, at  
20 the time it initially establishes a wholesale power rate applicable to a  
21 power project, shall determine the average rate of inflation, based on  
22 the federal consumer price index for the United States for the 33-year  
23 period preceding the establishment of the wholesale power rate. Every  
24 10 years after the initial establishment of a wholesale power rate, the  
25 authority shall calculate the average rate of inflation for the preceding  
26 33-year period and increase the wholesale power rate by a percentage  
27 equal to the increase in the average rate of inflation for the preceding  
28 33 years or for the preceding 10 years, whichever is less.

29 (g) For the first year in which a wholesale power rate is in

1 effect, the authority shall determine the amount to be returned to the  
2 state under (b)(2) of this section by multiplying the state's investment  
3 in the power project by the quotient achieved from dividing the period  
4 of time described in (b)(2) of this section into one. For each subse-  
5 quent year, the authority shall determine the amount to be returned to  
6 the state under (b)(2) of this section by multiplying the amount deter-  
7 mined under this subsection for the preceding year by the sum of one  
8 plus the average rate of inflation calculated by the authority under (f)  
9 of this section. After the period of time described in (b)(2) of this  
10 section, the amount to be returned to the state under (b)(2) of this  
11 section is zero unless other state investments in the power project are  
12 made after the wholesale power rate is initially established. For a  
13 state investment in a power project made after the initial wholesale  
14 power rate is established, the authority shall separately determine the  
15 amount to be returned to the state under (b)(2) of this section in the  
16 manner provided in this subsection.

17 (h) A rate structure established under (a)(3) of this section  
18 shall consist of at least three rates. The lowest rate shall be known  
19 as the "equity rate" and shall be the rate charged by the utility to  
20 customers for the first 250 kilowatt hours of power used during a monthly  
21 billing period. For residential customers the utility shall specify  
22 successively higher ranges of power usage to which successively higher  
23 rates within its rate structure apply.

24 (i) The lowest rate charged to a customer under (h) of this sec-  
25 tion may not exceed an amount that represents the customer's propor-  
26 tionate share of the utility's non-capital costs. However, if the  
27 authority determines that a higher rate is necessary in order to allow a  
28 utility to pay the wholesale power rate required by (b) of this section,  
29 the authority may authorize that higher rate.

1 (j) At least two weeks before a utility establishes or amends a  
2 rate structure under (a)(3) of this section, the utility or the Alaska  
3 Public Utilities Commission shall conduct a public hearing within the  
4 area served by the utility to explain the proposed rate structure or  
5 amendment and to receive comments from the public. The utility shall  
6 provide public notice of the hearing at least two weeks before the  
7 hearing is held. The utility may provide the public notice by newspaper  
8 or radio or by posting the notice within the area served by the public  
9 utility.

10 (k) In addition to the requirements of (h) - (j) of this section  
11 relating to a utility's rate structure, a utility that is subject to the  
12 jurisdiction of the Alaska Public Utilities Commission must comply with  
13 the provisions of AS 42.05.361 - 42.05.441. Nothing in this section  
14 affects the authority of the Alaska Public Utilities Commission under  
15 AS 42.05.361 - 42.05.441.

16 (l) The authority shall adopt regulations in accordance with the  
17 Administrative Procedure Act (AS 44.62) to implement (a)(3) and (h) -  
18 (j) of this section.

19 (m) In this section,

20 (1) "the state's investment in the power project" means the  
21 total amount invested by the state for the acquisition or construction  
22 of a power project, including loans and grants from the state, other  
23 than loans or grants made for the purposes described in (b)(1) of this  
24 section and other than loans made from the proceeds of bonds issued for  
25 the power project;

26 (2) "non-capital costs" means a utility's costs other than  
27 costs under (b)(1)(B) and (b)(2) of this section.

28 \* Sec. 16. AS 44.83 is amended by adding a new section to read:

29 Sec. 44.83.399. POWER PROJECT EMERGENCY MAINTENANCE FUND. There

1 is established in the authority the power project emergency maintenance  
2 fund. The power project emergency maintenance fund consists of money  
3 appropriated to it by the legislature. The authority may use money in  
4 the power project emergency maintenance fund to pay the cost of mainte-  
5 nance, including equipment replacement, of a power project it acquires  
6 or constructs under the energy program for Alaska if other appropria-  
7 tions are not available or are insufficient to pay that cost. For the  
8 purposes of AS 44.83.398(h), the use of money in the power project main-  
9 tenance fund for a power project is a loan to the power project for a  
10 purpose described in AS 44.83.398(b)(1) bearing interest at nine percent  
11 a year and with a term determined by the authority but not to exceed 30  
12 years. The authority shall, in its annual budget request under AS 44.83.-  
13 210, request an appropriation to repay a loan under this section. If  
14 the appropriation is made, the use of the money is a grant that is a  
15 state investment in the power project for the purposes of AS 44.83.-  
16 398(h).

17 \* Sec. 17. AS 44.83.425(4) is amended to read:

18 (4) "Industrial customer [CONSUMER]" means a customer of a  
19 utility which customer has a peak power demand in excess of 500 kilowatts  
20 and uses the power principally for

21 (A) manufacturing;

22 (B) pipeline transportation;

23 (C) the recovery or processing of minerals;

24 (D) the processing of timber, agricultural, or seafood  
25 products or their by-products; or

26 (E) the operation of facilities owned by the federal  
27 government;

28 \* Sec. 18. AS 44.83.390 and 44.83.398(c) are repealed.

29 \* Sec. 19. The provisions of AS 44.83.384(b)(3), added by sec. 9 of this

1 Act, and AS 44.83.385, added by sec. 10 of this Act, do not apply to a power  
2 project on which construction has begun before the effective date of this Act  
3 notwithstanding the provisions of AS 44.83.385(g).  
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Introduced: 2/11/82  
Referred: Resources and  
Finance

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 HOUSE BILL NO. 758

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the energy program for Alaska."

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

8 \* Section 1. AS 44.83.380(b) is amended to read:

9 (b) The energy program for Alaska is a program by which the au-  
10 thority may acquire or construct power projects with money appropriated  
11 by the legislature to the power development fund established in AS 44.-  
12 83.382. A power project may be acquired or constructed as part of the  
13 energy program for Alaska only if

14 (1) for a power project that will generate more than 1.5  
15 megawatts of power and on which construction has not begun

16 (A) the power project is submitted to and approved by  
17 the legislature in accordance with procedures set out in AS 44.-  
18 83.177 - 44.83.187; and

19 (B) the authority makes the determinations required by  
20 AS 44.83.394 with respect to the power project;

21 (2) for a power project that will generate more than 1.5  
22 megawatts of power and on which construction has begun or is completed,  
23 the authority makes the determinations required by AS 44.83.394 with re-  
24 spect to the power project; and

25 (3) for a power project that will generate 1.5 megawatts  
26 of power or less, on which construction has not begun, the authority  
27 prepares a feasibility study for the power project in accordance with  
28 AS 44.83.181 and makes the determinations required by AS 44.83.394 with  
29 respect to the power project.

1 \* Sec. 2. AS 44.83.382(b) is amended to read:

2 (b) The fund consists of [INCLUDES

3 (1)] money appropriated to it by the legislature [; AND

4 (2) REVENUES COLLECTED FROM THE SALE OF POWER THAT ARE NOT  
5 REQUIRED BY LAW TO BE DEPOSITED INTO THE GENERAL FUND].

6 \* Sec. 3. AS 44.83.384(b) is amended to read:

7 (b) Money in the fund may be used under (a) of this section only  
8 for a power project that

9 (1) meets the revenue requirements of AS 44.83.394; [AND]

10 (2) provides the lowest reasonable power cost to utility  
11 customers in the market area for the estimated life of the power project,  
12 whether operated by itself or in conjunction with other power projects  
13 in the market area, and that operates or will operate on one or more of  
14 the following:

15 (A) renewable energy resources, including but not  
16 limited to hydroelectric power, wind, biomass, geothermal, tidal or  
17 solar energy, or a method that uses temperature differentials or  
18 other physical properties of the ocean;

19 (B) coal or peat;

20 (C) energy derived from waste heat; or

21 (D) fossil fuel, including oil or natural gas; and

22 (3) has been approved by a majority of the voters in an  
23 election held under AS 44.83.385.

24 \* Sec. 4. AS 44.83 is amended by adding a new section to read:

25 Sec. 44.83.385. ELECTIONS ON POWER PROJECTS. (a) Before the  
26 authority may use money in the power development fund established in  
27 AS 44.83.382 to acquire or construct a power project, the power project  
28 must be approved by a majority of the voters at an election held under  
29 this section. However, the authority may use money in the power develop-

1 went fund for a feasibility study required by AS 44.83.380(b) without  
2 voter approval under this section.

3 (b) Before an election is held under this section the authority  
4 shall determine in writing the amount of money from the power develop-  
5 ment fund the authority intends to use to acquire or construct a power  
6 project. The authority shall then provide a copy of its written deter-  
7 mination, together with a description of the area that will be served by  
8 the power project, to the division of elections, Office of the Lieutenant  
9 Governor, the division of budget and management, Office of the Governor,  
10 and to each member of the legislature. If the power project is subject  
11 to review under AS 44.83.177 - 44.83.187, the authority shall prepare  
12 its written determination under this subsection after the division of  
13 budget and management submits its report under AS 44.83.183(c). If the  
14 power project is not subject to review under AS 44.83.177 - 44.83.187,  
15 the authority shall prepare its written determination under this sub-  
16 section after the division of budget and management approves a deter-  
17 mination under AS 44.83.394 that the power project is economically  
18 feasible.

19 (c) After receipt of a written determination under (b) of this  
20 section, the division of elections shall conduct a special election in  
21 the area that will be served by the power project as that area is de-  
22 scribed by the authority under (b) of this section. The special election  
23 shall be held in accordance with the procedures in AS 29.68.090. The  
24 question that the voters will decide at the special election is whether  
25 the authority may acquire or construct the power project. The ballot  
26 must include a statement of the amount of money determined under (b) of  
27 this section to be used to acquire or construct the power project.

28 (d) The authority shall include with its written determination  
29 under (b) of this section a description of the power project which

1 includes a statement of the total cost of the power project and a state-  
2 ment of the anticipated social, environmental, and economic impacts of  
3 the power project in the area in which the power project will be lo-  
4 cated. The description shall be reviewed and approved by the division  
5 of budget and management. The division of elections shall deliver the  
6 description of the power project to the area in which the special elec-  
7 tion will be held. The delivery shall be by individual mailings to each  
8 registered voter in the area, by publication and distribution of a  
9 voters' pamphlet, by publication in a newspaper of general circulation  
10 in the area, or by another method that the division of elections deter-  
11 mines is reasonably likely to provide the voters with notice of the  
12 description. The delivery shall be completed at least three weeks  
13 before the special election is conducted.

14 (e) The authority may withdraw a written determination prepared  
15 under (b) of this section or a description prepared under (d) of this  
16 section at any time before the special election is conducted by notifying  
17 the division of elections, the division of budget and management, and  
18 each member of the legislature of the withdrawal in writing.

19 (f) If, due to a substantial change in or addition to the acquisi-  
20 tion or construction of a power project that has been approved by the  
21 voters in a special election held under (c) of this section, the author-  
22 ity determines that additional money from the power development fund is  
23 necessary for the power project, the authority must seek another a  
24 special election in accordance with (a) - (e) of this section before the  
25 additional money may be used. For the purposes of this subsection the  
26 division of budget and management shall determine whether a change in or  
27 addition to the acquisition or construction of a power project is sub-  
28 stantial.

29 (g) This section applies to a power project on which construction

1 has begun at the time the authority seeks to acquire the power project  
2 and to other power projects to be acquired or constructed by the author-  
3 ity.

4 \* Sec. 5. AS 44.83.394 is amended to read:

5 Sec. 44.83.394. REVENUE REQUIREMENTS. The authority may not use  
6 money in the fund for a power project [EXCEPT IN COMPLIANCE WITH AS 44.  
7 83.177 - 44.83.187, AND] unless, within one year before using the money,  
8 the authority determines that the power project is economically feasible  
9 and the division of budget and management in the Office of the Governor  
10 approves the authority's finding. In determining whether a power pro-  
11 ject is economically feasible under this section, the authority may rely  
12 upon a feasibility study prepared for the power project under AS 44.83.-  
13 181 if that feasibility study is not more than one year old. If the  
14 feasibility study is more than one year old, the authority may revise  
15 the feasibility study and rely upon the revised feasibility study  
16 [THAT, AFTER CONSTRUCTION, OPERATION OF THE POWER PROJECT WILL BE ABLE  
17 TO PROVIDE REVENUE SUFFICIENT TO RETURN ANNUALLY TO THE STATE FIVE  
18 PERCENT OF THE AMOUNT THAT THE AUTHORITY HAS SPENT FROM THE FUND FOR THE  
19 POWER PROJECT].

20 \* Sec. 6. AS 44.83.398(a) is amended by adding a new paragraph to read:

21 (3) to establish a rate structure for the sale of power at  
22 retail to all classes of consumers including industrial consumers that  
23 complies with the requirements of (h) - (k) of this section.

24 \* Sec. 7. AS 44.83.398(b) is repealed and reenacted to read:

25 (b) The authority shall establish and maintain a wholesale power  
26 rate applicable to a power project that it acquires or constructs under  
27 the energy program for Alaska. Beginning in the year in which a power  
28 project becomes functional, the authority annually shall compute the  
29 wholesale power rate applicable to the power project. The authority

1 shall, by regulation, establish a method for applying a wholesale power  
2 rate to various types of power projects and shall, by regulation, estab-  
3 lish a procedure for the adjustment of a wholesale power rate to compen-  
4 sate for an overestimate or underestimate in a previous year of the  
5 amounts described in (1) and (2) of this subsection. Except for adjust-  
6 ments provided by regulation under this subsection, the wholesale power  
7 rate must equal the rate that the authority estimates is necessary to  
8 provide

9 (1) program receipts sufficient to pay, beginning in the year  
10 in which the power project becomes functional,

11 (A) operation, maintenance, and equipment replacement  
12 costs, including costs of a loan attributable to this paragraph  
13 under AS 44.83.399 of the power project;

14 (B) debt service on bonds issued for the power project,  
15 if any; and

16 (C) safety inspections and investigations of the power  
17 project by the authority; and

18 (2) a return to the state of its investment in the power  
19 project, with adjustments for inflation, as provided in (f) - (h) of  
20 this section, over a 33-1/3 year period, or over a period equal to  
21 three-fourths of the life of the project as determined by the authority,  
22 whichever is less.

23 \* Sec. 8. AS 44.83.398 is amended by adding new subsections to read:

24 (f) For the purposes of (b)(2) of this section, the authority, at  
25 the time it initially establishes a wholesale power rate applicable to a  
26 power project, shall determine the average rate of inflation, based on  
27 the federal consumer price index for the United States for the 33-year  
28 period preceding the establishment of the wholesale power rate. Every  
29 10 years after the initial establishment of a wholesale power rate, the

1 authority shall reevaluate the average rate of inflation for the 33-year  
2 period preceding the recalculation.

3 (g) For the first year in which a wholesale power rate is in  
4 effect, the authority shall determine the amount to be returned to the  
5 state under (b)(2) of this section by multiplying the state's investment  
6 in the power project by the quotient achieved from dividing the period  
7 of time described in (b)(2) of this section into one. For each subse-  
8 quent year, the authority shall determine the amount to be returned to  
9 the state under (b)(2) of this section by multiplying the amount deter-  
10 mined under this subsection for the preceding year by the sum of one  
11 plus the average rate of inflation calculated by the authority under (f)  
12 of this section. After the period of time described in (b)(2) of this  
13 section, the amount to be returned to the state under (b)(2) of this  
14 section is zero unless other state investments in the power project are  
15 made after the wholesale power rate is initially established. For a  
16 state investment in a power project made after the initial wholesale  
17 power rate is established, the authority shall separately determine the  
18 amount to be returned to the state under (b)(2) of this section in the  
19 manner provided in this subsection.

20 (h) A rate structure established under (a)(3) of this section  
21 shall consist of at least two rates. The utility shall charge the  
22 lowest rate to consumers for the first 250 kilowatt hours of power used  
23 during a monthly billing period. For residential consumers the utility  
24 shall specify successively higher ranges of power usage to which suc-  
25 cessively higher rates within its rate structure apply. A rate struc-  
26 ture established under (a)(3) of this section must, to the maximum  
27 extent possible, encourage efficient use of power by residential con-  
28 sumers.

29 (i) The lowest rate charged to a consumer under (h) of this sec-

1 tion may not exceed an amount that represents the consumer's propor-  
2 tionate share of the utility's administrative costs, the utility's costs  
3 under (b)(1) of this section, the utility's cost of providing suppl-  
4 mental power generation within the area served by the utility, the  
5 utility's distribution costs, and the utility's return on its invest-  
6 ment. However, if the authority determines that a higher rate is neces-  
7 sary in order to allow a utility to pay the wholesale power rate re-  
8 quired by (b) of this section, the authority may authorize that higher  
9 rate.

10 (j) At least two weeks before a utility establishes or amends a  
11 rate structure under (a)(3) of this section, the utility shall conduct a  
12 public hearing within the area served by the utility to explain the  
13 proposed rate structure or amendment and to receive comments from the  
14 public. The utility shall provide public notice of the hearing at least  
15 two weeks before the hearing is held. The utility may provide the  
16 public notice by newspaper or radio or by posting the notice within the  
17 area served by the public utility.

18 (k) The authority shall adopt regulations in accordance with the  
19 Administrative Procedure Act (AS 44.62) to implement (a)(3) and (h) -  
20 (j) of this section.

21 (l) In this section, "the state's investment in the power project"  
22 means the total amount invested by the state for the acquisition or  
23 construction of a power project, including loans and grants from the  
24 state, other than loans or grants made for the purposes described in  
25 (b)(1) of this section and other than loans made from the proceeds of  
26 bonds issued for the power project.

27 \* Sec. 9. AS 44.83 is amended by adding a new section to read:

28 Sec. 44.83.399. POWER PROJECT EMERGENCY MAINTENANCE FUND. There  
29 is established in the authority the power project emergency maintenance

1 fund. The power project emergency maintenance fund consists of money  
2 appropriated to it by the legislature. The authority may use money in  
3 the power project emergency maintenance fund to pay the cost of mainte-  
4 nance, including equipment replacement, of a power project it acquires  
5 or constructs under the energy program for Alaska if other appropria-  
6 tions are not available or are insufficient to pay that cost. For the  
7 purposes of AS 44.83.398(h), the use of money in the power project  
8 maintenance fund for a power project is a loan to the power project for  
9 a purpose described in AS 44.83.398(b)(1) bearing interest at nine  
10 percent a year and with a term determined by the authority but not to  
11 exceed 30 years. The authority shall, in its annual budget request under  
12 AS 44.83.210, request an appropriation to repay a loan under this  
13 section. If the appropriation is made, the use of the money is a grant  
14 that is a state investment in the power project for the purposes of  
15 AS 44.83.398(h).

16 \* Sec. 10. The provisions of AS 44.83.384(b)(3), added by sec. 3 of this  
17 Act, and AS 44.83.385, added by sec. 4 of this Act, do not apply to a power  
18 project on which construction has begun before the effective date of this Act  
19 notwithstanding the provisions of AS 44.83.385(g).

20 \* Sec. 11. AS 44.83.390 and 44.83.398(c) are repealed.  
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FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 758  
 Title Relating to the Energy Program for Alaska  
 Requested by House Resources Committee Date March 20, 1982

II. FISCAL DETAIL

Agency Affected Alaska Power Authority  
 Program Category Affected Operations  
 BRU, Program, Or Subprogram(s) Affected \_\_\_\_\_  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES	0	0	0	0	0	0
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>	<b>0</b>					

FUNDING (Thousands of Dollars)

GENERAL FUND	0					
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME	0					
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

This bill has no fiscal impact upon APA operations.

IV. DATE March 24, 1982 PREPARED BY Terry McQuire  
 AGENCY Alaska Power Authority  
 Original: Legislative Finance PHONE 277-7641  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)  
 33-001 (Rev. 12/81)

**ALASKA STATE LEGISLATURE**

TWELFTH Legislature SECOND... Session

HOUSE ... BILL ..... NO. 758

By THE RESOURCES COMMITTEE ....

"An Act relating to the energy program for Alaska."

Energy program

Introduced in the House .2/11....., 19.82

**HISTORY IN THE HOUSE**

19 82	Read first time and referred to Committee on Resources and Finance												
Feb 11	Reported back with recommendation that												
	Read second time and												
	Read third time and												
	<table border="0"> <tr> <td><b>PASS</b></td> <td><b>Effective Date</b></td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	<b>PASS</b>	<b>Effective Date</b>	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused		
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Yeas	Yeas												
Nays	Nays												
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	<table border="0"> <tr> <td colspan="2"><b>Reconsideration</b></td> </tr> <tr> <td><b>PASS</b></td> <td><b>Effective Date</b></td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	<b>Reconsideration</b>		<b>PASS</b>	<b>Effective Date</b>	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
<b>Reconsideration</b>													
<b>PASS</b>	<b>Effective Date</b>												
Yeas	Yeas												
Nays	Nays												
Absent	Absent												
Excused	Excused												
	Reported correctly engrossed Signed by Speaker Sent to Senate												
CHIEF CLERK OF THE HOUSE													

**HISTORY IN THE SENATE**

19	Read first time and referred to Committee on												
	Reported back with recommendation that												
	Read second time and												
	Read third time and												
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<b>PASS</b>	<b>Effective Date</b>												
Yeas	Yeas												
Nays	Nays												
Absent	Absent												
Excused	Excused												
	Reported correctly engrossed Signed by President Returned to House												
SECRETARY OF THE SENATE													

**HISTORY IN THE HOUSE**

19	Received from Senate
	Concurred in Senate amendment thus adopting: VOTE
	Failed to concur in Senate amendment; asked Senate to recede VOTE
	Senate receded from amendment VOTE
	Senate failed to recede from amendment VOTE
	CC appointed by House
	CC appointed by Senate
	CC adopted by House VOTE
	CC adopted by Senate VOTE
	To enrolling Reported correctly enrolled Sent to Governor  ..... by Governor
	Filed with Lt. Governor
	Chapter No. ....