

HOUSE
COMMITTEE REPORT

(11)

Date referred: 5/8/86

FURTHER REFERRALS:

DATE: 5-10-86

The FINANCE Committee has considered CSSB 468 (Fin) am

"An Act creating the Railbelt Energy council; and providing for an effective date."

and recommends:

- do pass
- do not pass
- do pass with attached amendment(s)
- no recommendation
- replace with HCS CS SB 468 (Loans) same title
- new title

and recommends do pass

further referral to the _____ Committee

and attaches:

- letter of intent
- first fiscal note
- new fiscal note 5/9/86
- zero fiscal note

SIGNING DO PASS:

SIGNING OTHER RECOMMENDATIONS:

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature] Do Pass With Amendment

[Signature] No Rec.

[Signature]
Chairman

STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No.: H CS SC SB 468 (FIN)
 Title: Railbelt Energy Council

Sponsor: Senate Resource Committee
 Requestor: House Finance Committee
 Date of Request: 5/9/86

FISCAL DETAIL

Agency Affected: _____
 BRU: _____

Components: _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		-0-				
TRAVEL		-0-				
CONTRACTUAL		-0-				
SUPPLIES		-0-				
EQUIPMENT		-0-				
LAND & STRUCTURES		-0-				
GRANTS, CLAIMS		-0-				
MISCELLANEOUS		-0-				
TOTAL OPERATING		-0-				

CAPITAL		-0-				
---------	--	-----	--	--	--	--

REVENUE		-0-				
---------	--	-----	--	--	--	--

FUNDING : (Thousands of Dollars)

GENERAL FUND		-0-				
FEDERAL FUNDS		-0-				
OTHER		-0-				
TOTAL		-0-				

POSITIONS :

FULL-TIME		-0-				
PART-TIME		-0-				
TEMPORARY		-0-				

ANALYSIS : Attach a separate page if necessary

APA

Prepared by: Representative Adams - Chairman
 Division: House Finance Committee

Phone: 465-3706
 Date: 5/9/86

Approved by Commissioner: _____
 Agency: _____

Date: _____

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

Offered: 5/8/86
Referred: Finance

Original sponsor: Resources Committee

1 IN THE SENATE

BY THE HOUSE SPECIAL
COMMITTEE ON STATE LOANS

2 HOUSE CS FOR CS FOR SENATE BILL NO. 468 (Loans)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act creating the Railbelt energy council; and
7 providing for an effective date."

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

9 * Section 1. FINDINGS. The legislature finds that

10 (1) state energy policy should change from a policy of the
11 state assuming responsibility for providing electric power to a policy of
12 the state assisting the private sector and public utilities to provide
13 adequate electric power at reasonable cost;

14 (2) state funds available for energy development should be used
15 to assist in financing projects that utilities cannot finance themselves;

16 (3) utilities should be encouraged to assume the responsibility
17 of regional power generation and transmission rather than relying on the
18 state;

19 (4) energy planning and financing must be efficient and cost-
20 effective;

21 (5) the Railbelt energy fund should be used if necessary to
22 develop power projects that will meet market investment criteria;

23 (6) the Railbelt area generally consists of the region of the
24 state extending from Fairbanks to Homer and served by the Golden Valley
25 Electric Association, the Fairbanks Municipal Utilities System, the
26 Matanuska Electric Association, the Chugach Electric Association, Anchorage
27 Municipal Light and Power, the Seward Electric System, and the Homer Elec-
28 tric Association utilities.

29 * Sec. 2. COUNCIL CREATED. (a) The Railbelt energy council is

Offered: 5/8/86
Referred: Finance

Original sponsor: Resources Committee

1 IN THE SENATE

BY THE HOUSE SPECIAL
COMMITTEE ON STATE LOANS

2 HOUSE CS FOR CS FOR SENATE BILL NO. 468 (Loans)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act creating the Railbelt energy council; and
7 providing for an effective date."

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

9 * Section 1. FINDINGS. The legislature finds that

10 (1) state energy policy should change from a policy of the
11 state assuming responsibility for providing electric power to a policy of
12 the state assisting the private sector and public utilities to provide
13 adequate electric power at reasonable cost;

14 (2) state funds available for energy development should be used
15 to assist in financing projects that utilities cannot finance themselves;

16 (3) utilities should be encouraged to assume the responsibility
17 of regional power generation and transmission rather than relying on the
18 state;

19 (4) energy planning and financing must be efficient and cost-
20 effective;

21 (5) the Railbelt energy fund should be used if necessary to
22 develop power projects that will meet market investment criteria;

23 (6) the Railbelt area generally consists of the region of the
24 state extending from Fairbanks to Homer and served by the Golden Valley
25 Electric Association, the Fairbanks Municipal Utilities System, the
26 Matanuska Electric Association, the Chugach Electric Association, Anchorage
27 Municipal Light and Power, the Seward Electric System, and the Homer Elec-
28 tric Association utilities.

29 * Sec. 2. COUNCIL CREATED. (a) The Railbelt energy council is

1 established to

2 (1) recommend the best options for planning, financing, con-
3 structing, and managing electric power facilities in the Railbelt area;

4 (2) examine all alternatives and recommend the best method for
5 meeting projected Railbelt electrical energy demand;

6 (3) recommend alternative financing plans for assisting the
7 private sector and public utilities to meet the future energy needs of the
8 Railbelt area;

9 (4) determine whether a regional generation and transmission
10 utility organization can operate to the best interests of utility con-
11 sumers;

12 (5) cooperate with the Alaska Power Authority to examine the
13 feasibility and desirability of energy projects.

14 (b) Membership on the council consists of two members appointed by
15 the governor; two senators appointed by the president of the senate; two
16 members of the house of representatives appointed by the speaker of the
17 house; and one representative from each of the seven Railbelt utilities.

18 (c) By February 15, 1987, the council shall report its recommenda-
19 tions to the legislature.

20 * Sec. 3. This Act is repealed June 30, 1987.

21 * Sec. 4. This Act takes effect immediately in accordance with AS 01.-
22 10.070(c).

Offered: 5/8/86
Referred: Finance

Original sponsor: Resources Committee

1 IN THE SENATE BY THE HOUSE SPECIAL
COMMITTEE ON STATE LOANS

2 HOUSE CS FOR CS FOR SENATE BILL NO. 468 (Loans)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 BILL

6 For an Act entitled: "An Act creating the Railbelt energy council; and
7 providing for an effective date."

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

9 * Section 1. FINDINGS. The legislature finds that

10 (1) state energy policy should change from a policy of the
11 state assuming responsibility for providing electric power to a policy of
12 the state assisting the private sector and public utilities to provide
13 adequate electric power at reasonable cost;

14 (2) state funds available for energy development should be used
15 to assist in financing projects that utilities cannot finance themselves;

16 (3) utilities should be encouraged to assume the responsibility
17 of regional power generation and transmission rather than relying on the
18 state;

19 (4) energy planning and financing must be efficient and cost-
20 effective;

21 (5) the Railbelt energy fund should be used if necessary to
22 develop power projects that will meet market investment criteria;

23 (6) the Railbelt area generally consists of the region of the
24 state extending from Fairbanks to Homer and served by the Golden Valley
25 Electric Association, the Fairbanks Municipal Utilities System, the
26 Matanuska Electric Association, the Chugach Electric Association, Anchorage
27 Municipal Light and Power, the Seward Electric System, and the Homer Elec-
28 tric Association utilities.

29 * Sec. 2. COUNCIL CREATED. (a) The Railbelt energy council is

1 established to

2 (1) recommend the best options for planning, financing, con-
3 structing, and managing electric power facilities in the Railbelt area;

4 (2) examine all alternatives and recommend the best method for
5 meeting projected Railbelt electrical energy demand;

6 (3) recommend alternative financing plans for assisting the
7 private sector and public utilities to meet the future energy needs of the
8 Railbelt area;

9 (4) determine whether a regional generation and transmission
10 utility organization can operate to the best interests of utility con-
11 sumers;

12 (5) cooperate with the Alaska Power Authority to examine the
13 feasibility and desirability of energy projects.

14 (b) Membership on the council consists of two members appointed by
15 the governor; two senators appointed by the president of the senate; two
16 members of the house of representatives appointed by the speaker of the
17 house; and one representative from each of the seven Railbelt utilities.

18 (c) By February 15, 1987, the council shall report its recommenda-
19 tions to the legislature.

20 * Sec. 3. This Act is repealed June 30, 1987.

21 * Sec. 4. This Act takes effect immediately in accordance with AS 01.-
22 10.070(c).

Offered: 4/25/86
Referred: Rules

Original sponsor: Resources Committee

1 IN THE SENATE BY THE FINANCE COMMITTEE
2 CS FOR SENATE BILL NO. 468 (Finance) am
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FOURTEENTH LEGISLATURE - SECOND SESSION
5 A BILL
6 For an Act entitled: "An Act creating the Railbelt energy council; and
7 providing for an effective date."
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:
9 * Section 1. FINDINGS. The legislature finds that
10 (1) state energy policy should change from a policy of assuming
11 responsibility for providing low cost power to a policy of assisting the
12 private sector to provide adequate power at reasonable cost;
13 (2) state funds available for energy development should be used
14 as leverage to assist in financing projects that utilities cannot finance
15 themselves;
16 (3) utilities should be encouraged to assume the responsibility
17 of generating regional power rather than relying on the state;
18 (4) energy planning and financing must be efficient and cost-
19 effective;
20 (5) the Railbelt energy fund should be used as leverage to
21 develop power sources that will meet investment criteria.
22 * Sec. 2. COUNCIL CREATED. (a) The Railbelt energy council is estab-
23 lished to
24 (1) recommend how Railbelt energy funds can best be directed to
25 meet the future energy needs of the Railbelt area of Alaska;
26 (2) recommend the best unified options for planning, financing,
27 constructing, and managing power facilities;
28 (3) cooperate with the Alaska Power Authority to examine the
29 feasibility and desirability of smaller Susitna hydroelectric projects;

1 (4) determine whether a regional utility organization can oper-
2 ate to the best interests of utility consumers;

3 (5) examine alternatives and recommend the best method for
4 meeting projected Railbelt electrical energy demand;

5 (6) recommend whether the 1987 legislature should approve sub-
6 mission of an application for a Federal Energy Regulatory Commission li-
7 cense for a project in the Susitna River basin;

8 (7) recommend how to restructure the board of directors of the
9 Alaska Power Authority to improve its effectiveness and efficiency;

10 (8) recommend the optimum time for installing the third 45
11 megawatt unit at the Bradley Lake project;

12 (9) recommend whether it is preferable to install a new power
13 intertie between Anchorage and Kenai or to upgrade the existing line; and

14 (10) recommend how best to improve and utilize Alaska's long term
15 energy plan under AS 44.83.224.

16 (b) Membership on the council consists of two members appointed by
17 the governor, one of whom must represent an energy supplier; two senators
18 appointed by the president of the senate; two members of the house of
19 representative appointed by the speaker of the house; and one representa-
20 tive from each of the seven Railbelt utilities.

21 (c) By February 15, 1987, the council shall report its recommenda-
22 tions to the legislature.

23 * Sec. 3. This Act is repealed June 30, 1987.

24 * Sec. 4. This Act takes effect immediately in accordance with AS 01.-
25 10.070(c).

Introduced: 3/26/86
Referred: Resources and
Finance

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

2

SENATE BILL NO. 468

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act creating the Railbelt energy fund; and pro-
7 viding for an effective date."

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

9 * Section 1. AS 44.25 is amended by adding a new section to read:

10 Sec. 44.25.050. RAILBELT ENERGY FUND. There is established in
11 the general fund the Railbelt energy fund. The fund consists of money
12 appropriated to it by the legislature. The Department of Revenue
13 shall manage the fund. Interest received on money in the fund shall
14 be accounted for separately and may be appropriated into the fund
15 annually. The legislature may appropriate money from the fund to
16 assist in meeting Railbelt energy needs.

17 * Sec. 2. This Act takes effect immediately in accordance with AS 01.-
18 10.070(c).