

HB

168

DATE: 4/5/90

FURTHER:

DATE TURNED INTO OFFICE: 4/12/90

L & C Committee considered CSHB 168 (I&C)

"An Act relating to simplified regulation of local exchange telephone utilities; and relating to suspending the operation of tariff filings."

and recommended:

- replace with _____ CS same title
- or adopt _____ CS HB 168 (I&C) new title
- attached amendment(s) technical title change (HB only)
- _____ letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

ATTACHES NEW FISCAL NOTE(S):

fiscal note(s) _____ Dept/Date: _____

zero fiscal note(s) _____

appropriation-no fiscal note

APPROVES PREVIOUS:

fiscal note(s) _____ Dept/Date: _____

zero fiscal note(s) House Finance 3/23/90

Governor's bill w/fiscal note

SIGNING DO PASS:

Jan Fair
J. K. ...
Patricia ...

OTHER RECOMMENDATIONS:

Michael ... do pass
Chair: Signature and Recommendation

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Claude Zilke
President

Gordon Parker
Executive Director

HB 168: AN ACT RELATING TO SIMPLIFIED REGULATION OF LOCAL EXCHANGE TELEPHONE UTILITIES; AND RELATING TO SUSPENDING THE OPERATION OF TARIFF FILINGS

HB 168 is legislation which recognizes the tremendous changes in the telecommunications industry. In 1990, technology is driving drastic change in the way telephone utilities must do business. It is vital that the system of regulation adapt to this new world. We can no longer afford rate proceedings which continue well over a year and cost hundreds of thousands of dollars.

Section one of the bill requires the Alaska Public Utilities Commission to implement a simplified rate filing procedure for telephone utilities. While details of the system are left to the commission, it is envisioned that something similar to the system already working for electric utilities in Alaska and for telephone utilities in other states would be adopted. Such a system would provide an abbreviated procedure for rate filings under a predetermined magnitude (in most jurisdictions, less than ten per cent). The system would maintain APUC oversight and would provide for consumer protection.

Section two requires the commission to reach a final decision in a rate case within 12 months of filing. It is reasonable to expect a state agency to complete its review within one year. Even so, the bill allows the commission to extend "for good cause."

ATA is convinced that this legislation will result in more effective regulation and less expense to both utilities and customers.