

SENATE BILL NO. 193

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY SENATOR DYSON

Introduced: 2/8/12

Referred: Labor and Commerce, Resources

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the duties of the Regulatory Commission of Alaska; and allowing a**
2 **public utility to recover the cost of developing an auxiliary source of energy, natural gas,**
3 **or petroleum products."**

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 * **Section 1.** AS 42.05.141 is amended by adding a new subsection to read:

6 (e) In the establishment of service rates under this chapter, the commission
7 shall encourage every public utility that furnishes the transmission of electric energy,
8 natural gas, or petroleum products to develop safe, reliable, and reasonably priced
9 sources of energy.

10 * **Sec. 2.** AS 42.05.381 is amended by adding a new subsection to read:

11 (l) In the establishment of rates of a utility that furnishes the transmission of
12 electric energy, natural gas, or petroleum products, the commission shall allow the
13 recovery of the necessary and reasonable costs of a project undertaken by the utility
14 that is designed to secure an auxiliary source of energy, natural gas, or petroleum

1 products. In addition to the initial capital costs, the commission shall allow the utility
2 to recover the costs of the operation and maintenance of the project through periodic
3 rate adjustments, even if the project is never used to supply energy, natural gas, or
4 petroleum products to customers of the utility.