AN ACT

Relating to the expenses of investigation, hearing, or public advocacy before the Regulatory Commission of Alaska, to calculation of the regulatory cost charge for public utilities and pipeline carriers to include the Department of Law's costs of its public advocacy function, to inspection of certain books and records by the attorney general when participating as a party in a matter before the Regulatory Commission of Alaska; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1
AN ACT

Relating to the expenses of investigation, hearing, or public advocacy before the Regulatory Commission of Alaska, to calculation of the regulatory cost charge for public utilities and pipeline carriers to include the Department of Law's costs of its public advocacy function, to inspection of certain books and records by the attorney general when participating as a party in a matter before the Regulatory Commission of Alaska; and providing for an effective date.

* Section 1. AS 42.05.254(a) is amended to read:

(a) A regulated public utility operating in the state shall pay to the commission an annual regulatory cost charge in an amount not to exceed the maximum percentage of adjusted gross revenue that applies to the utility sector of which the utility is a part. The regulatory cost charges that the commission expects to collect from all regulated utilities may not exceed the sum of the following percentages [.8 PERCENT] of the
total adjusted gross revenue of all regulated public utilities derived from operations in
the state: (1) not more than .7 percent to fund the operations of the commission,
and (2) not more than .17 percent to fund operations of the public advocacy
function under AS 42.04.070(c) and AS 44.23.020(e) within the Department of
Law. An exempt utility shall pay the actual cost of services provided to it by the
commission.

* Sec. 2. AS 42.05.254(b) is amended to read:

(b) The commission shall by regulation establish a method to determine
annually the amount of the regulatory cost charge for a public utility. If the amount
the commission expects to collect under (a) of this section and under AS 42.06.286(a)
exceeds the authorized budgets [BUDGET] of the commission and the Department
of Law public advocacy function under AS 42.04.070(c) and AS 44.23.020(e), the
commission shall, by order, reduce the percentages determined under (h) of this
section so that the total amount of the fees collected approximately equals the
authorized budgets [BUDGET] of the commission and the Department of Law
public advocacy function under AS 42.04.070(c) and AS 44.23.020(e) for the fiscal
year.

* Sec. 3. AS 42.05.254(e) is amended to read:

(e) The commission shall administer the charge imposed under this section.
The Department of Revenue shall collect and enforce the charge imposed under this
section. The Department of Administration shall identify the amount of the operating
budgets [BUDGET] of the commission and the Department of Law public
advocacy function under AS 42.04.070(c) and AS 44.23.020(e) that lapse
[LAPSES] into the general fund each year. The legislature may appropriate an
amount equal to the lapsed amount to the commission and to the Department of Law
public advocacy function under AS 42.04.070(c) and AS 44.23.020(e) for [ITS]
operating costs for the next fiscal year. If the legislature does so, the commission shall
reduce the total regulatory cost charge collected for that fiscal year by a comparable
amount.

* Sec. 4. AS 42.05.254(h) is amended to read:

(h) The commission shall by regulation establish a method to determine
annually the maximum percentage of adjusted gross revenue that will apply to each regulated public utility sector and the maximum percentage of gross revenue that will apply to the regulated pipeline carrier sector. **Other** [THE METHOD ESTABLISHED SHALL ALLOCATE THE COMMISSION'S COSTS, OTHER] than the cost of services provided to exempt utilities, **the method established shall allocate the commission's costs, and the Department of Law's certified costs of its public advocacy function under AS 42.04.070(c) and AS 44.23.020(e), among the regulated public utility sectors and the regulated pipeline carrier sector based on the relative amount of the commission's annual costs and the Department of Law's certified costs that is attributable to regulating each sector. For purposes of this subsection, the Department of Law shall annually certify to the commission the costs of its public advocacy function under AS 42.04.070(c) and AS 44.23.020(e).**

* Sec. 5. AS 42.05.501 is amended by adding a new subsection to read:

(b) When participating as a party under AS 42.04.070(c) or AS 44.23.020(e), the attorney general shall, at all reasonable times, have the right to reasonable access to, and may designate any of the attorney general's employees, agents, or consultants to inspect and examine, the accounts, records, books, maps, inventories, appraisals, valuations, or other reports and documents kept by public utilities that are relevant to the issues presented in any adjudicatory matter before the commission in which the attorney general has appeared as a party under AS 42.04.070(c) or AS 44.23.020(e). This access is subject to reasonable notice to all parties with an opportunity to object before the commission. Included under this subsection is access to records or other documents under the custody or control of an affiliated interest of a public utility that relate to any contract or transaction between the public utility and the affiliated interest.

* Sec. 6. AS 42.05.651 is amended by adding a new subsection to read:

(c) Notwithstanding the commission's discretion under (a) of this section to allocate costs to parties, the commission may not require a state agency to pay any costs allocated to the state agency.

* Sec. 7. AS 42.05.671(c) is amended to read:

(c) A person may make written objection to the public disclosure of
information contained in a record under the provisions of this chapter or of
information obtained by the commission or by the attorney general under the
provisions of this chapter, stating the grounds for the objection. When an objection is
made, the commission may not order the information withheld from public disclosure
unless the information adversely affects the interest of the person making written
objection and disclosure is not required in the interest of the public.

* Sec. 8. AS 42.06.286(a) is amended to read:

(a) A pipeline carrier operating in the state shall pay to the commission an
annual regulatory cost charge in an amount not to exceed the sum of the following
percentages [.8 PERCENT] of gross revenue derived from operations in the state: (1)
not more than .7 percent to fund the operations of the commission, and (2) not
more than .17 percent to fund operations of the public advocacy function under
AS 42.04.070(c) and AS 44.23.020(e) within the Department of Law. A regulatory
cost charge may not be assessed on pipeline carrier operations unless the operations
are within the jurisdiction of the commission.

* Sec. 9. AS 42.06.286(b) is amended to read:

(b) The commission shall by regulation establish a method to determine
annually the amount of the regulatory cost charge. If the amount the commission
expects to collect under (a) of this section and under AS 42.05.254(a) exceeds the
authorized budgets [BUDGET] of the commission and the Department of Law
public advocacy function under AS 42.04.070(c) and AS 44.23.020(e), the
commission shall, by order, reduce the percentage determined under (e) of this section
so that the total amount of the fees collected approximately equals the authorized
budgets [BUDGET] of the commission and the Department of Law public
advocacy function under AS 42.04.070(c) and AS 44.23.020(e) for the fiscal year.

* Sec. 10. AS 42.06.286(c) is amended to read:

(c) The commission shall administer the charge imposed under this section.
The Department of Revenue shall collect and enforce the charge imposed under this
section. The Department of Administration shall identify the amount of the operating
budgets [BUDGET] of the commission and the Department of Law public
advocacy function under AS 42.04.070(c) and AS 44.23.020(e) that lapse
[LAPSES] into the general fund each year. The legislature may appropriate an
amount equal to the lapsed amount to the commission and to the Department of Law
public advocacy function under AS 42.04.070(c) and AS 44.23.020(e) for [ITS]
operating costs for the next fiscal year. If the legislature does so, the commission shall
reduce the total regulatory cost charge [CHARGED] collected for that fiscal year by a
comparable amount.

* Sec. 11. AS 42.06.440 is amended by adding a new subsection to read:

(b) Subject to AS 31.05.035(c), when participating as a party under
AS 42.04.070(c) or AS 44.23.020(e), the attorney general shall, at all reasonable
times, have the right to reasonable access to, and may designate any of the attorney
general's employees, agents, or consultants to inspect and examine, the accounts,
records, books, maps, inventories, appraisals, valuations, or other reports and
documents kept by an oil or gas pipeline carrier that are relevant to the issues
presented in any adjudicatory matter before the commission in which the attorney
general has appeared as a party under AS 42.04.070(c) or AS 44.23.020(e). This
access is subject to reasonable notice to all parties with an opportunity to object before
the commission. Included under this subsection is access to records or other
documents under the custody or control of an affiliated interest of the pipeline carrier
that relate to any contract or transaction between the public utility and the affiliated
interest. Costs incurred in complying with a request to review the records referred to
in this subsection or to maintain those records in such a manner as to make them
conveniently available for review shall be borne by the party controlling the records.

* Sec. 12. AS 42.06.445(d) is amended to read:

(d) A person may make written objection to the public disclosure of
information contained in a record filed under the provisions of this chapter or of
information obtained by the commission or by the attorney general under the
provisions of this chapter, stating the grounds for the objection. When an objection is
made, the commission shall order the information withheld from public disclosure if
the information adversely affects the interest of the person making written objection
and disclosure is not required in the interest of the public.

* Sec. 13. AS 42.06.610 is amended by adding a new subsection to read:
(d) Notwithstanding the commission's discretion under (a) and (b) of this section to allocate costs to parties, the commission may not require a state agency to pay any costs allocated to the state agency.

* Sec. 14. The uncodified law of the State of Alaska is amended by adding a new section to read:

APPLICABILITY. AS 42.05.651(c), enacted by sec. 6 of this Act, and AS 42.06.610(d), enacted by sec. 13 of this Act, apply to orders issued by the Regulatory Commission of Alaska regardless of whether the related proceeding under AS 42.05 or AS 42.06 was begun before the effective date of this Act.

* Sec. 15. The uncodified law of the State of Alaska is amended by adding a new section to read:

RETROACTIVITY. The enactment of AS 42.05.651(c), made by sec. 6 of this Act, and of AS 42.06.610(d), made by sec. 13 of this Act, is retroactive to May 30, 2003.

* Sec. 16. The uncodified law of the State of Alaska is amended by adding a new section to read:

REVISOR'S INSTRUCTION. The revisor of statutes is instructed to change the heading of AS 42.05.501 from "Inspection of books and records by commission" to "Inspection of books and records."

* Sec. 17. This Act takes effect July 1, 2004.
AUTHENTICATION

The following officers of the Legislature certify that the attached enrolled bill, SB 392, consisting of 6 pages, was passed in conformity with the requirements of the constitution and laws of the State of Alaska and the Uniform Rules of the Legislature.

Passed by the Senate May 6, 2004

[Signature]
Gene Therriault, President of the Senate

ATTEST:

[Signature]
Kirsten Waid, Secretary of the Senate

Passed by the House May 11, 2004

[Signature]
Pete Kott, Speaker of the House

ATTEST:

[Signature]
Suzi Kowall, Chief Clerk of the House

Approved by the Governor

[Signature]
Frank H. Murkowski, Governor of Alaska