

ALASKA ADMINISTRATIVE CODE

Title 3

Commerce, Community, and Economic Development

**APRIL 2007 SUPPLEMENT
INCLUDING REGISTERS 173 THROUGH 181**



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ISBN: 0-327-14478-5

(SET ISBN: 0-327-10319-1)

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Part 7. Regulatory Commission of Alaska.

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Chapter 47. Regulatory Cost Charges for Public Utilities and Pipeline Carriers.

Article

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Article 2. Regulatory Cost Charges for Regulated Public Utilities and Pipeline Carriers.

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- 21. [Repealed]
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- 40. Formulae for determination of regulatory cost charge rates
- 45. [Repealed]
- 70. Billing of regulatory cost charges

3 AAC 47.021. Initial regulatory cost charges. Repealed. (Eff. 12/1/95, Register 136; repealed 6/11/2006, Register 178)

3 AAC 47.030. Determination of regulatory cost charge rates and payment dates; overpayment. (a) For state fiscal years beginning after June 30, 2006, the regulatory cost charge rates will be established annually by commission order, using the formulae in 3 AAC 47.040. However, if the regulatory cost charge rate applicable to adjusted gross regulated operating revenue, calculated under 3 AAC 47.040(a) - (e), would result in a regulatory cost charge that exceeds the limit set by AS 42.05.254(a) or AS 42.06.286(a), the commission order will establish that rate at a level that would result in a regulatory cost charge that is equal to the limit set by those statutes. The regulatory cost charge rates will be adjusted by commission order if necessary under AS 42.05.254(b) - (h) or AS 42.06.286(b) and (h), or if necessary because of changes in a factor in a formula in 3 AAC 47.040.

(b) Within 30 days after the annual budget of the commission is passed by the legislature each year, the commission will notify the public and each regulated utility and pipeline carrier of the regulatory cost charge rate to be imposed and the basis for that rate. The notice will also be posted on the commission's Internet website. The regula-

tory cost charge rate will be a charge per kilowatt-hour in the case of regulated electric utilities and a percentage of adjusted gross regulated operating revenue for all other regulated utilities and pipeline carriers.

(c) Within 30 days after notice is issued under (b) of this section, each regulated utility and pipeline carrier may submit comments on, or request revisions to, the regulatory cost charge rates proposed by the commission and, in the case of public utilities, may object to a designation as a regulated utility.

(d) Within 60 days after notice is issued under (b) of this section, the commission will hold a public hearing to receive comments on the proposed regulatory cost charge rates.

(e) Within 90 days after notice is issued under (b) of this section, and after taking into account the commission's final authorized annual budget, the commission will issue an order establishing the regulatory cost charge rates and the date or dates when the regulatory cost charges must be paid.

(f) If the total regulatory cost charge payments made by a regulated utility or pipeline carrier during a state fiscal year exceed the limit set by AS 42.05.254(a) or AS 42.06.286(a), the commission will notify the Department of Revenue to refund to the utility or pipeline carrier the amount of the overpayment. (Eff. 10/21/92, Register 124; am 12/1/94, Register 132; am/readopt 12/1/95, Register 136; am 6/13/2006, Register 178)

Authority:	AS 42.05.141	AS 42.05.254	AS 42.06.286
	AS 42.05.151	AS 42.06.140	

Editor's note: Effective 12/1/95, Register 136, the Alaska Public Utilities Commission readopted and amended the preceding section under AS 42.05 and AS 42.06 as changed by ch. 1, SLA 1995.

3 AAC 47.040. Formulae for determination of regulatory cost charge rates. (a) The formula for determining individual regulatory cost charge rates for each regulated public utility or pipeline carrier, as a percentage of adjusted gross regulated operating revenue is

$$RCC = \frac{A_1 + A_2}{GR}$$

where,

RCC equals the regulatory cost charge rate applicable to a regulated sector's adjusted gross operating revenue;

A₁ equals the portion of the commission's total requirement from regulatory cost charges that is allocated to the regulated sector;

A₂ equals the portion of the Department of Law's public advocacy function costs certified under AS 42.05.254(h), that is allocated to the regulated sector;

and

GR equals the regulated sector's annual adjusted gross regulated operating revenue in the preceding calendar or annual reporting year.

(b) The formula for determining the portion of the commission's total requirement from regulatory cost charges that is allocated to a regulated sector is.

(b) the formula for determining the regulatory cost charge rate expressed as a charge per kilowatt-hour is

$$A_1 = D + N$$

where,

A_1 equals portion of the commission's total requirement from regulatory cost charges that is allocated to the regulated sector;

D is the portion of the commission's total requirement from regulatory cost charges that is directly assignable to the regulated sector; and

N is the portion of the commission's total requirement from regulatory cost that is not directly assignable to the regulated sector, but is allocated to the regulated sector; the allocation of the commission's total requirement from regulatory cost charges that is not directly assignable to a regulated sector is based on allocating factors developed to reflect the relative amount of direct hours spent by the commission regulating each sector during the preceding fiscal year.

(c) The formula for determining the commission's total requirement from regulatory cost charges is

$$R = B - E + X$$

where,

R equals the commission's total requirement from regulatory cost charges;

B equals the commission's authorized budget for a state fiscal year;

E equals the amount expected to be collected from exempt utilities, from other sources in that fiscal year, and any carryover balance of the regulatory cost charge program receipts account appropriated for that fiscal year; and

X equals an allowance for regulatory cost charges due under this chapter for that fiscal year that the commission or the Department of Revenue is unable to collect.

(d) Notwithstanding (c) of this section, the commission's total requirement from regulatory cost charges may not exceed the maximum percentage of total adjusted gross revenue prescribed in AS 42.05.254(a).

(e) For the purpose of developing the allocating factors used in (b) of this section, the commission staff engaged in substantive matters shall maintain records of direct hours worked on each regulated sector on a per pay period basis.

(f) For electric utilities,

(1) the formula for determining the regulatory cost charge rate expressed as a charge per kilowatt-hour is

$$RCC_e = \frac{RCC \times GR_e}{kWh_T}$$

where,

RCC_e equals the regulatory cost charge rate applicable to kilowatt-hours;

RCC equals the regulatory cost charge rate applicable to electric adjusted gross regulated operating revenue determined under (a) of this section;

GR_e equals the total annual adjusted gross regulated operating revenue of electric utilities in the preceding calendar year;

and

kWh_T equals the total annual kilowatt-hour sales of regulated electric utilities in the preceding calendar year, modified by subtracting wholesale kilowatt-hour sales in that year;

(2) that have both wholesale and retail sales, the electric utility cost of power that is deducted from retail sales may not include any portion of the cost of power that was accounted for under wholesale sales. (Eff. 10/21/92, Register 124; am 12/1/94, Register 132; am/readopt 12/1/95, Register 136; am/readopt 3/13/2006, Register 178)

Authority: AS 42.05.141	AS 42.05.254	AS 42.06.286
AS 42.05.151	AS 42.06.140	

Editor's note: Effective 12/1/95 (Register 136) the Alaska Public Utilities Commission readopted and amended the preceding section under AS 42.05 and AS 42.06 as changed by ch. 1, SLA 1995.

3 AAC 47.045. Determination of regulatory cost charge for fiscal year 1995; single annual payment. Repealed. (Eff. 12/1/94, Register 132; repealed 6/13/2006, Register 178)

3 AAC 47.070. Billing of regulatory cost charges. (a) A regulated utility or pipeline carrier may implement a separate charge on its bills to retail customers and shippers, including bills rendered by a local exchange carrier on behalf of an interexchange carrier, to collect the regulatory cost charge, subject to the following limitations:

(1) in the case of a regulated electric utility, the amount billed to customers may be no more than the regulatory cost charge rate per kilowatt-hour times the number of kilowatt-hours billed;

(2) in the case of a local exchange carrier, the amount billed to customers may be no more than the regulatory cost charge rate times the amount billed for all local services;

(3) in the case of an interexchange carrier, including bills rendered by a local exchange carrier on behalf of an interexchange carrier, the amount billed to the customers may be no more than the regulatory cost charge rate times the amount billed for intrastate interexchange service;

(4) in the case of all other regulated utilities and pipeline carriers, the amount billed may be no more than the regulatory cost charge rate times the amount billed for all services; and

(5) if the commission requires payment of the regulatory cost charge in a single annual payment under 3 AAC 47.030(e),

(A) at the beginning of the complete billing period after a regulated utility or pipeline carrier has billed for the full amount of the charge imposed by the commission plus the net cost of capital resulting from the time between the date the regulatory cost charge is paid to the state and the date the regulatory cost charge is collected by the regulated utility or pipeline carrier from its customers or shippers, the utility or carrier shall discontinue billing its regulatory cost charge, including the net cost of capital;

(B) a regulated utility or pipeline carrier may, without prior commission approval, reduce the regulatory cost charge, including the net cost of capital, it bills its customers or shippers for the final month of collection to minimize the amount that would otherwise be overcollected; and

(C) if the regulatory cost charge, including the net cost of capital, collected by a regulated utility or pipeline carrier from its customers or shippers exceeds the amount imposed by the commission by more than two percent, that utility or pipeline carrier shall propose to the commission a method of returning to its customers or shippers the excess amount.

(b) A separate charge implemented by a regulated utility or pipeline carrier in accordance with (a) of this section must be entitled "Regulatory Cost Charge" on bills to customers or shippers.

(c) A regulated utility or pipeline carrier may implement a charge in accordance with (a) of this section, without prior commission approval, after the commission has implemented the initial or revised regulatory cost charge. Within 15 days after implementing a charge under (a) of this section, a regulated utility or pipeline carrier shall submit a tariff filing under the procedures set out in 3 AAC 48.270.

(d) A regulated utility or pipeline carrier may not include regulatory cost charges in rates or charges to customers or shippers except as provided in (a) of this section.

(e) The failure of a regulated utility or pipeline carrier to implement a separate charge on its bills to customers or shippers to collect the

regulatory cost charge does not affect the obligation of the regulated utility or pipeline carrier to pay the regulatory cost charge to the state. (Eff. 10/21/92, Register 124; am 12/1/94, Register 132; am/readopt 12/1/95, Register 136; am 6/13/2006, Register 178)

Authority: AS 42.05.141 AS 42.05.254 AS 42.06.286
AS 42.05.151 AS 42.06.140

Editor's note: Effective 12/1/95 (Register 136), the Alaska Public Utilities Commission readopted and amended the pre-ceding section under AS 42.05 and AS 42.06 as changed by ch. 1, SLA 1995.

Article 4. General Provisions.

Section
999. Definitions

3 AAC 47.999. Definitions. (a) Unless the context indicates otherwise, in 3 AAC 47.010 — 3 AAC 47.999,

(1) "actual costs" means that portion of the direct or indirect cost of operating the commission that can be assigned to a specific task or project performed for an exempt utility;

(2) "adjusted gross regulated operating revenue" means the total revenue derived from operations in intrastate services, reduced by uncollectible revenue, and, as applicable, settlements or access charges, wholesale sales, and electric utility cost of power;

(3) "exempt utility" has the meaning given in AS 42.05.254(i);

(4) "regulated utility" has the meaning given in AS 42.05.254(i);

(5) "wholesale sales" has the meaning given in AS 42.05.254(i);

(6) "electric utility cost of power" means the total of accounts 500 — 557 of the uniform system of accounts prescribed for use by electric utilities under 3 AAC 48.277(a)(9) — (a)(13);

(7) "regulated sector" means the regulated public utility sector and the regulated pipeline carrier sector.

(b) Definitions contained in 3 AAC 48.820, 3 AAC 52.340, and 3 AAC 52.399 also apply to this chapter. (Eff. 10/21/92, Register 124; am/readopt 12/1/95, Register 136; 6/13/2006, Register 178)

Authority: AS 42.05.141 AS 42.05.254 AS 42.06.286
AS 42.05.151 AS 42.06.140

Editor's note: Effective 12/1/95 (Register 136) the Alaska Public Utilities Commission readopted and amended the pre-ceding section under AS 42.05 and AS 42.06 as changed by ch. 1, SLA 1995.

Chapter 48. Practice and Procedure.

Article

1. Practice Before the Commission (3 AAC 48.010 — 3 AAC 48.188)
2. Utility and Pipeline Tariffs (3 AAC 48.200 — 3 AAC 48.442)
6. Miscellaneous Provisions (3 AAC 48.800 — 3 AAC 48.820)

Article 1. Practice Before the Commission.

Section

20. Communications
40. Confidential records
49. Access to confidential records
50. Inspection of records and facilities

Section

151. Order of hearing
154. Evidence and exhibits
159. Standards of conduct—Hearing decorum

3 AAC 48.020. Communications. (a) All correspondence with the commission should be addressed to the commission at its principal office and not to an individual staff member or commissioner unless otherwise specifically authorized or directed by the commission. If a written communication to the commission is in response to correspondence or an order of the commission, the response should make reference to the docket number, informal complaint number or file reference used by the commission.

(b) Repealed 6/29/84.

(c) Each written communication should embrace only one subject and should include the name and return address of the sender, the correct docket number and the commission's file reference, if any, to which the communication relates.

(d) If the writer holds a certificate of public convenience and necessity, the certificate holder should use the name on the certificate and state the certificate number. Correspondence not complying with this subsection may be disregarded at the commission's discretion. The commission will, in its discretion, consider any correspondence as an initiatory pleading and proceed accordingly.

(e) Except as provided in 3 AAC 48.240, a written communication is considered to be officially received when delivered to the commission's office. However, a commissioner, or an employee designated by the commission, may also receive written communications away from the commission's office, under conditions prescribed by the commission.

(f) Correspondence signed by an individual staff member or commissioner does not state an official determination by the commission unless the signature is preceded by the recital "By Direction of the Commission." The presence of this recital constitutes presumptive evidence that the signatory has been delegated specific authority to state the commission's official action in the particular matter. Staff correspondence containing routine interpretations regarding tariffs, accounting, or any other matter under a general delegation of authority will not contain the above recital but will, instead, state that the

staff interpretation is subject to direct appeal to the commission by application, petition, or motion.

(g) A commissioner, presiding officer, or commission staff member may not, except upon reasonable notice and opportunity for all parties to participate, communicate with a party, and other affected persons, about any issue of fact, law, or policy in a pending adjudicatory proceeding.

(h) Communications not prohibited by (g) of this section include communications

(1) to discuss scheduling or procedural matters;

(2) between the presiding officer and parties, designed to produce a settlement; with the consent of all parties, the presiding officer may continue to preside in the same proceeding;

(3) between a regulated entity and the commission staff in a preliminary investigation of a tariff filing before suspension under AS 42.05.421;

(4) between the commission staff and an applicant for certification, registration, or another ruling by the commission, if the applicant is the only party to a proceeding; or

(5) during a scheduled meeting between commissioners or commission staff members and a regulated entity to discuss utility and pipeline projects, industry trends, technology, and developments, if those persons do not discuss an issue in a pending adjudicatory proceeding; within two business days after that meeting, a commissioner or commission staff member involved in the communication shall submit, by electronic mail or in writing to the commission staff member who supervises the commission's records and filings section, a statement that includes the following information:

(A) to the extent known, the names and addresses of the persons involved in the scheduled meeting;

(B) the date and time of the scheduled meeting, its duration, and the means and circumstances under which it was made;

(C) a summary of matters discussed.

(i) If a person makes or attempts to make an ex parte communication prohibited by (g) of this section, the commissioner, presiding officer, or commission staff member shall advise the person that the communication is prohibited and shall immediately terminate the prohibited communication.

(j) If an ex parte communication prohibited by (g) of this section occurs, the commissioner, presiding officer, or commission staff member involved in the communication shall submit, within two business days after the prohibited ex parte communication occurs, and either by electronic mail or in writing to the commission staff member who supervises the commission's records and filings section and to all commissioners, a statement that includes the following information:

(1) the name and docket number of the proceeding;

(2) to the extent known, the name and address of the person making the communication and the relationship, if any, to the parties to the proceeding;

(3) the date and time of the communication, its duration, and the means by and circumstances under which it was made;

(4) a summary of the matters discussed;

(5) whether and how the person making the prohibited communication was advised that the communication was prohibited.

(k) Within two business days after receiving a statement under (j) of this section, the commission staff member who supervises the commission's records and filings section shall

(1) place the statement in the commission's public file; and

(2) serve a copy of the statement on the parties on the commission's official service list, within each relevant docket.

(l) The commission staff member who supervises the commission's records and filings section shall maintain a permanent file of any statement filed under (h), (j), and (k) of this section. That statement shall be noticed in the commission's incoming mail report, and the file of statements shall be made available for public inspection at the commission's office during regular business hours.

(m) In this section, "business day" means a day other than Saturday, Sunday, or a state holiday. (Eff. 1/13/73, Register 44; am 6/29/84, Register 90; am 4/24/2004, Register 170; am 4/20/2006, Register 178)

Authority: AS 42.05.141

AS 42.05.151

AS 42.06.140

3 AAC 48.040. Confidential records. (a) Except as provided in (b) of this section, the records in the possession of the commission or its advisory staff are open to inspection by the public during regular office hours.

(b) The following records are confidential and are not open to inspection by the public unless they are released under 3 AAC 48.049 or court order or their release is authorized by the person with confidentiality interests:

(1) bids for contracted services received in response to an invitation to bid issued by the commission until after the notice of intent to award a contract is given by the commission;

(2) communications relating to personnel matters and medical or other personal information that, under governing personnel practices and the laws of the state, are not public information;

(3) records filed with the commission that are confidential under AS 42.06.445(c);

(4) records classified as confidential under a protective order of the commission or the court;

(5) records designated as confidential by written agreement among the parties to adjudicatory matters before the commission for the purpose of conducting discovery;

(6) communications, regarding confidential legal advice or assistance, between legal counsel for the commission and the commission, its advisory staff, or its consultants, and documents prepared by or at the direction of legal counsel that contain investigative conclusions or are created for litigation or adjudicatory matters involving the commission;

(7) preliminary records relating to an investigation by the commission until the investigation is complete or formal proceedings have been initiated by the commission;

(8) records of deliberations on adjudicatory matters before the commission;

(9) notes, drafts, and analyses used to aid the commission in the preparation of any order or finding on adjudicatory matters;

(10) records of a regulated public utility, pipeline carrier, or pipeline submitted to or copied by the commission's advisory staff during any audit, review, or investigation in connection with any formal or informal proceeding;

(11) records classified as confidential in accordance with 3 AAC 48.045. (Eff. 1/13/73, Register 44; am 6/29/84, Register 90; am 7/12/92, Register 123; am 3/21/2003, Register 165; am 4/20/2006, Register 178)

Authority:	AS 40.25.110	AS 42.05.151	AS 42.06.140
	AS 40.25.120	AS 42.05.671	AS 42.06.445
	AS 42.05.141		

3 AAC 48.049. Access to confidential records. (a) A confidential record will not be made public or furnished to any person other than to the commission, its advisory staff, its consultants, and other authorized representatives, except under a subpoena duces tecum or as provided under (b) — (h) of this section.

(b) A person may file a written motion requesting access to a record that the commission has designated as confidential. The motion must identify as specifically as possible the record to which access is sought and must set out the reasons access is sought.

(c) The person filing the motion described in (a) of this section shall serve the person with confidentiality interests in the record with a copy of the motion. Within 15 days following service of the motion, the person with confidentiality interests in the record may submit its response.

(d) The commission will, at the earliest possible time, issue its determination to grant or deny the motion requesting access, as follows:

(1) if the commission determines that the record should be made public, the commission will notify the person filing the motion and the person with confidentiality interests in the record of the commission's intent to release the record;

(2) within seven days following service of the notice of the commission's intent to release, the person with confidentiality interests in the record may petition for reconsideration or for withdrawal of the record;

(3) if neither reconsideration nor withdrawal of the record is requested, the record becomes public at the end of the seven-day period prescribed in (2) of this subsection;

(4) if reconsideration or withdrawal of the record is requested under (2) of this subsection and the request is denied, the commission will notify the person with confidentiality interest in the record and the person filing the motion for access and the record becomes public on the date set out in the commission's order denying reconsideration or withdrawal;

(5) if a petition for reconsideration or for withdrawal of the record is granted, the commission will issue an order that reclassifies the record as confidential or restricts access to it.

(e) Disclosure of a record covered by a protective order of the commission or the court that prescribes procedures for disclosure other than those contained in this section will be governed by the terms of the order rather than by this section.

(f) A record designated as confidential by order of the commission and entered into evidence in an adjudicatory matter will be disclosed to the parties in the matter under a protective order unless this requirement is waived by the person with confidentiality interests in the record. Examination of the confidential record will be conducted by the commission *in camera*, and the portions of the record that are confidential will be placed under seal by the commission.

(g) If a party intends to enter as evidence a record designated as confidential under 3 AAC 48.040(b)(5) or (b)(10), that party shall provide the person with confidentiality interests in the record at least five days' notice of that party's intent. Unless within five days after service of that notice the person with confidentiality interests in the record files a petition for confidential status of the record under 3 AAC 48.045(a), the record becomes public when presented to the commission.

(h) If the confidential record to which access is sought is in the possession of a consultant employed by the commission and if access is granted, the person who requests the record will, in the commission's discretion, be required to reimburse the consultant directly for costs incurred in producing the record. (Eff. 6/29/84, Register 90; am 7/12/92 Register 123; am 3/21/2003, Register 165; am 4/20/2006, Register 178)

Authority: AS 42.05.141
AS 42.05.151

AS 42.05.671
AS 42.06.140

AS 42.06.445

3 AAC 48.050. Inspection of records and facilities. (a) The facilities and records of a public utility or pipeline carrier are not

available to the public for inspection, copying or any purpose, other than to furnish a service or commodity, except

- (1) as otherwise provided by statute or by an applicable rule, regulation, or general order of the commission;
- (2) by specific order of the commission;
- (3) with the prior voluntary consent of the utility or pipeline carrier; and
- (4) upon enforcement of a subpoena duces tecum or other legal process.

(b) A member of the commission advisory staff and any agent, consultant, or other authorized representative of the commission must, upon presentation of authentic credentials issued by the commission, be allowed access to the premises of any utility or pipeline carrier during its regular business hours to investigate, inspect, examine, evaluate, or analyze its rates, services, facilities, accounts, books, records, contracts, and operating practices, to make copies of any record, account, contract, or other document or paper of the utility or pipeline carrier, or to implement, in any other way, any jurisdictional function of the commission.

(c) If office and desk space is required to perform any function listed in (b) of this section, the utility or pipeline carrier shall provide it at a conveniently located place that is reasonably comfortable, adequately lighted, and otherwise suitable. If the utility or pipeline carrier does not have satisfactory office and desk space in its own quarters, it shall make other suitable arrangements, including, if ordered by the commission, direct payment by the utility or pipeline carrier of rental or lease charges for office and desk space selected by the commission.

(d) Public utilities and pipeline carriers shall, in every way possible within reason, assist the commission's advisory staff, and its agents, consultants, and representatives in the performance of any function listed in (b) of this section.

(e) An action or responsibility applicable to public utilities and pipeline carriers under (b), (c), or (d) of this section is also applicable to the affiliated interests of public utilities and pipeline carriers, but only to the extent required to obtain, copy, examine, and analyze any contract, record, account, document, income tax return, report, or paper directly or indirectly relating to a written or unwritten contract or arrangement between a utility or pipeline carrier and its affiliated interests.

(f) Each jurisdictional utility or pipeline carrier which does not keep, in one or more offices located in Alaska, all of its books, accounts, records, and papers relating to its utility or pipeline operations in Alaska shall make application to the commission for an order authorizing it to keep all or part of them elsewhere. That application must

- (1) with reasonable particularity, list and describe the records of its Alaskan utility or pipeline operations that are kept at each specifically described location in Alaska;

(2) with reasonable particularity, list and describe the records of its Alaskan utility or pipeline operations that are kept at each specifically described location in places other than within Alaska;

(3) specifically request permission to continue keeping either all or part of the records described in (2) of this subsection at the places where they are located, or at other specifically described places, outside Alaska; and

(4) set out, in complete detail, the grounds for a request made under (3) of this subsection;

(5) repealed 6/29/84.

(g) The commission will docket each application submitted under (f) of this section, notice it to the public, at the discretion of the commission hold a hearing on it, and enter an appropriate order based upon the facts of record.

(h) If a utility or pipeline carrier has a contract or arrangement with an affiliated interest which keeps accounts, records, or other supporting information pertaining to those documents outside of Alaska, the utility or pipeline carrier shall notify the commission of the identity, content, and location of the documents. If a change occurs in the identity, content, or location of the documents, the utility or pipeline carrier shall notify the commission within 30 days after the date of the change.

(i) If the commission authorizes, or requires, a utility or pipeline carrier to keep any of its accounts, records, and supporting information outside the State of Alaska, the utility or pipeline carrier may not deviate from the terms of the commission's order

(1) with respect to the places where its records and accounts are kept without first notifying the commission as to the change; or

(2) with respect to the kinds of accounts and records that are kept at each location without first applying for, and obtaining, authority to do so.

(j) If a utility or pipeline carrier or its affiliated interest elects to pay the expenses of sending commission personnel to any out-of-state place where its records are kept, the utility or pipeline carrier shall provide transportation and, within 30 days after billing, reimburse the commission for the expenses incurred by the commission in sending personnel to examine the utility's or pipeline carrier's or its affiliated interest's books and records at the place where they are kept. The expenses subject to reimbursement will be documented and will fully comply with applicable state regulations. The chairman of the commission will approve the expenses before submitting the bill to the utility or pipeline carrier for payment.

(k) — (n) Repealed 6/29/84.

(o) Repealed 4/20/2006. (Eff. 1/13/73, Register 44; am 6/29/84, Register 90; 7/12/92, Register 123; am 3/21/2003, Register 165; am 4/20/2006, Register 178)

Authority: AS 42.05.141 AS 42.05.501 AS 42.06.430
AS 42.05.151 AS 42.06.140 AS 42.06.440
AS 42.05.491

3 AAC 48.151. Order of hearing. As the first order of business at a hearing, the presiding officer shall call the docket by reading the docket number and caption and shall state on the record when and how notice was given as to the time, place, and nature of the hearing. The presiding officer may also make a concise statement of the scope and purpose of the hearing and the issues involved. After that, all parties, either on their own behalf or through their attorneys or other authorized representatives, shall enter their appearances by giving their names and addresses to the reporter, together with the party on whose behalf they are appearing. The procedure in a hearing may be determined by stipulation in a prehearing conference, or by the presiding officer, subject, in either case, to approval, rejection, or modification by the commission. Otherwise, the matters considered at a hearing, after all appearances have been entered, will ordinarily be disposed of in substantially the following order:

- (1) pending motions;
- (2) stipulations of the parties;
- (3) opening statements;
- (4) presentation of cases as follows, unless otherwise ordered by the commission:

(A) in regard to an investigation on motion of the commission, the commission will hear

- (i) the attorney general's direct case;
- (ii) each intervenor's direct case in the order in which the petitions for intervention were filed with the commission;
- (iii) the respondent's direct case; and
- (iv) rebuttal by the attorney general;

(B) in regard to proceedings in which the operation of a tariff filing has been suspended, the commission will hear

- (i) the applicant's direct case;
- (ii) the attorney general's direct case;
- (iii) each intervenor's direct case in the order in which the petitions for intervention were filed with the commission; and
- (iv) rebuttal by the applicant;

(C) in regard to an application or petition, the commission will hear

- (i) each applicant's or petitioner's direct case in the order in which the applications or petitions were filed with the commission;
- (ii) the attorney general's direct case;
- (iii) each intervenor's direct case in the order in which the petitions for intervention were filed with the commission; and

(iv) rebuttal by each applicant or petitioner in the order in which the applications or petitions were filed with the commission;

(D) in regard to complaints, the commission will hear

(i) the complainant's direct case;

(ii) the attorney general's direct case;

(iii) each intervenor's direct case in the order in which the petitions for intervention were filed with the commission;

(iv) the respondent's direct case; and

(v) rebuttal by the complainant;

(5) statements by participants, protestants, or any other interested members of the public will be scheduled at the discretion of the presiding officer at any convenient point during the hearing. (Eff. 6/29/84, Register 90; am 3/21/2003, Register 165; am 7/2/2006, Register 178)

Authority: AS 42.05.141

AS 42.05.151

AS 42.06.140

3 AAC 48.154. Evidence and exhibits. (a) All relevant evidence which, in the opinion of the presiding officer, is the best evidence reasonably obtainable, with due regard to its necessity, availability, and trustworthiness, is admissible. In passing upon the admissibility of evidence, the presiding officer may consider, but is not bound to follow, the rules of evidence governing general civil proceedings, in matters not involving trial by jury, in the courts of the State of Alaska. When objection is made to the admissibility of evidence, the evidence may be received subject to later ruling by the commission. The presiding officer may, either with or without objection, exclude inadmissible evidence or order repetitive evidence discontinued. A party objecting to the introduction of evidence shall state the grounds for the objection at the time the evidence is offered but need not reaffirm the objection repeatedly after that. The presiding officer may, either orally or in writing, issue procedural orders and rulings pertaining to the conduct of a hearing. If in writing, an order or ruling must be in substantially the same format as a regular commission order in the same proceeding in regard to placement of the heading, the correct docket number, caption, etc., except that they shall be designated as "HEARING ORDER NO. 1, 2, 3," etc., in the space to the right of the caption. Every hearing order is a part of the evidentiary record of the proceeding.

(b) In addition to matters of which courts of the State of Alaska take judicial notice, the commission will take official notice of

(1) all rules, regulations, administrative rulings, and orders, exclusive of findings of fact, of the commission or another comparable federal or state regulatory body or agency;

(2) the contents of certificates of public convenience and necessity granted by the commission;

(3) the tariffs and special contracts regularly established by or filed with the commission as required or authorized by law;

(4) any annual or other report on file with the commission except those that are privileged; or

(5) the results of its own inspection of the physical conditions involved; however, the commission will state on the record a summary of its observations.

(c) An official rule, report, order, record, resolution, or other document prepared and issued by any governmental authority, when admissible for any purpose, may be evidenced by an official publication of it, by a publication of a nationally recognized reporting service considered by the presiding officer to constitute a sufficient guarantee of its trustworthiness, by a copy attested by the officer having legal custody of it, or by a person who can testify to its authenticity based on his or her firsthand knowledge. When an official record, otherwise admissible, is contained in official publications or publications by nationally recognized reporting services which are in general circulation and readily accessible to all parties, it may be introduced by specific reference by the party offering it. Papers and documents on file with the commission, if otherwise admissible, may be introduced by any method of identification satisfactory to the presiding officer. If only a portion of a paper or document is offered in evidence, the part offered must be clearly designated. Intra-office commission memoranda and reports, when designated as privileged by the commission, are not public records subject to inspection and will not be introduced in evidence. If a portion of the record in any other proceeding is admissible for any purpose, and if it is offered in evidence, a true copy of the portion must be presented for the record in the form of an exhibit unless

(1) the offering party agrees to supply copies later at the party's own expense, if and when required by the commission;

(2) the portion is specified with sufficient particularity to readily identify it;

(3) the parties represented at the hearing stipulate upon the record that the portion may be incorporated by reference, and that any portion of the same record offered by any other party may be incorporated by like reference; and

(4) the presiding officer directs that the portion be incorporated.

(d) Documentary evidence offered, whether in the form of an exhibit or introduced by reference, is subject to appropriate and timely objection. When specifically prepared exhibits of a documentary nature are offered in evidence, copies must be furnished by the parties, their attorneys, or authorized representatives to

(1) the other parties, their attorneys, or authorized representatives;

(2) the presiding officer;

- (3) the reporter;
- (4) each commissioner; and
- (5) repealed 4/20/2006;
- (6) anyone else designated by the presiding officer.

(e) Prefiled testimony will be identified by the letter “T” followed by sequential Arabic numerals in the order in which witnesses appear to testify, e.g., “T-1, T-2,” etc. Schedules, appendices, and other documents attached to prefiled testimony will be identified by the witness’ initials, followed by sequential Arabic numerals, e.g., “ABC-1.” Any other exhibits referred to at a hearing will be marked with sequential Arabic numerals, without regard to the party introducing the exhibit. Unless otherwise prescribed by the commission by order, or by the presiding officer, the same series of testimony and exhibit numbers will continue for an entire proceeding even if a hearing is recessed, continued, or otherwise bifurcated. (Eff. 6/29/84, Register 90; am 3/21/2003, Register 165; am 4/20/2006, Register 178)

Authority: AS 42.05.141 AS 42.05.151 AS 42.06.140

3 AAC 48.159. Standards of conduct—Hearing decorum. (Eff. 6/29/84, Register 90)

Publisher’s note: As of Register 181 (April 2007), the history of this section is set out in the supplement to correct a typographical error as it appears in the main pamphlet.

Article 2. Utility and Pipeline Tariffs.

Section	Section
220. Filing of tariff	425. Depreciation practices for local exchange carriers
275. Supporting information	
315. Telecommunications utility rate reductions	440. Rates for interexchange access

3 AAC 48.220. Filing of tariff. (a) An original and 10 copies of each utility tariff filing must be on file with the commission at least 45 days before the tariff may take effect unless the commission, by order, authorizes the filing to take effect in less than 45 days after the date of filing, or unless another commission regulation provides for a different filing method or time period. An original and 10 copies of each initial pipeline tariff filing shall be on file with the commission at least 90 days before it may become effective unless the commission, by order, authorizes the filing to become effective in less than 90 days from the date of delivery. An original and 10 copies of each revised pipeline tariff must be on file with the commission at least 30 days before the tariff may take effect unless the commission, by order, authorizes the filing to take effect in less than 30 days after the date of filing. Each filing must be transmitted to the commission by means of consecutively numbered letters designated as “Tariff Advice Letter No. 1, 2, 3, etc.”

Every advice letter must contain the applicable information set out in 3 AAC 48.270, unless another commission regulation provides otherwise. If a utility or pipeline carrier desires an effective date before the end of the statutory notice period for a filing, the utility or pipeline carrier shall request an earlier effective date and set out the reasons in the tariff advice letter. The utility or pipeline carrier shall attach rate studies or supply other information pertinent to the filing. If interim approval of a tariff filing is sought, that request must also be set out in the tariff advice letter.

(b) The commission will retain the original and one copy of every contract or other tariff filing, and will return one copy to the utility or the pipeline carrier after the effective date of the filing and the date of receipt by the commission have been stamped on it.

(c) Special contracts are treated as tariff filings. A utility service, commodity, or facility furnished to a customer under an unwritten contract or arrangement must be discontinued unless the parties to it execute a written contract and file it with the commission. This subsection does not apply to merchandising of equipment and appliances, parts replacement and repair work on customer-owned equipment, utility construction or materials purchase contracts, easements, applications for membership in cooperative associations, and service agreements which merely recite the provisions of a utility's filed tariff.

(d) A newly formed utility or pipeline carrier, or a utility or pipeline carrier brought under the commission's jurisdiction by operation of law, shall file its complete tariff with the commission as part of its application for a certificate of public convenience and necessity. A utility filing an application for extension of its service area, or a pipeline carrier filing an application for extension of its pipeline facility or route, shall include as part of its application any tariff revisions which may be required and a statement justifying the applicability of its existing tariff in the new service area or pipeline facility or route. These filings are subject to modification, and take effect on the date the certificate, or amendment to the certificate, is granted or at a later date under an order of the commission.

(e) Every tariff on file with and approved by the commission is considered to be lawful until revised in accordance with the procedures established by law and 3 AAC 48.200 — 3 AAC 48.430, and other commission regulations.

(f) Within 120 days after the effective date of this subsection, each pipeline carrier shall file tariff sheets in accordance with 3 AAC 48.200 — 3 AAC 48.430 covering every rate, charge, rule, regulation, or condition of service then being applied by the carrier.

(g) If the parties to a special contract filed with and approved by the commission cancel that contract, the utility shall notify the commission that the special contract has been cancelled. The notice to the commission will be by tariff advice letter and must include a copy of the

instrument cancelling the special contract and the effective date of the cancellation. (Eff. 11/16/73, Register 48; am 6/29/84, Register 90; am 8/6/92, Register 123; am 9/16/2005, Register 175)

Authority: AS 42.05.141	AS 42.05.361	AS 42.05.421
AS 42.05.151	AS 42.05.371	AS 42.06.140
AS 42.05.231	AS 42.05.391	AS 42.06.350
AS 42.05.241	AS 42.05.411	AS 42.06.390

3 AAC 48.275. Supporting information. (a) Except as provided in (b) of this section, each filing with the commission of a permanent or interim tariff revision that involves a change in rates to the customers of a utility or shippers of a pipeline carrier must include the following supporting information in the following order:

(1) a comparative statement of assets, liabilities, and other credits as of the end of each of the two calendar or fiscal years preceding the date of filing;

(2) a comparative statement of income and operating expenses as of the end of each of the two calendar or fiscal years preceding the date of filing;

(3) a comparative statement of changes in the utility's or pipeline carrier's equity position to include fluctuations in capital stock, retained earnings, owner's equity, or fund balances for each of the two calendar or fiscal years preceding the date of filing;

(4) a schedule showing the amount of the proposed rate change, both in absolute dollars and as a percentage increase or decrease, applied to the most recent approved permanent tariff rates and charges for each customer or service classification;

(5) a schedule showing the computations of revenue requirement, and revenue deficiency or surplus, in both absolute dollars and as a percentage of revenues, for the normalized test-year;

(6) a schedule showing test-year operating revenues and expenses, pro forma adjustments, and the resulting normalized test-year operating revenues and expenses;

(7) a schedule showing the computation of and a narrative explanation for any pro forma adjustments to the test-year results of operations;

(8) a schedule showing the computation of the pro forma provision for income taxes for the normalized test-year;

(9) a schedule showing the computation of rate base using a 13-month average (the arithmetic sum of the beginning of each month net balance for the 12-month test period, plus the balance at the end of the twelfth month of the test period, divided by 13) of all rate-base components except cash working capital allowance, and using any other rate-base theory the utility or pipeline carrier considers appropriate and supportable;

(10) a summary of utility, or pipeline, plant and depreciation for each of the two calendar or fiscal years preceding the date of filing,

showing plant in service; depreciation expense for each plant account; depreciation method; asset life; and net salvage used for computing that depreciation expense and the end-of-year balance of each plant account and the related account for accumulated depreciation;

(11) a schedule showing the pro forma cash working capital requirement based on the normalized test-year;

(12) a schedule showing the computation of weighted cost of capital, separately delineating the percentage amount and embedded cost of debt, and the percentage amount and rate of return on equity, together with a schedule showing the resultant returns on each of the rate bases computed in (9) of this subsection;

(13) a schedule showing all liabilities of longterm debt for each of the two calendar or fiscal years preceding the filing, including a description of each obligation; nominal date of issue; date of maturity; authorized face amount; and the computation of the embedded cost of debt used in (12) of this subsection;

(14) as provided for under 3 AAC 48.153, prefiled direct testimony in support of the information filed under this subsection, together with a list of the witnesses filing testimony;

(15) for a pipeline carrier seeking to collect in rates money to cover costs to dismantle or remove a pipeline facility or restore a right-of-way,

(A) any document imposing an obligation to dismantle or remove a pipeline facility or restore a right-of-way;

(B) a detailed study supporting the total estimated cost to dismantle and remove the pipeline facility and restore the right-of-way;

(C) a schedule of the cumulative balance to date of any fund for the dismantlement or removal of a pipeline facility or the restoration of a right-of-way; the schedule must provide details since inception of the pipeline of annual revenue, expenditures, and earnings;

(D) a schedule showing the effect of income taxes, if any, on the cumulative balance to date of any fund for the dismantlement or removal of a pipeline facility or the restoration of a right-of-way;

(E) an explanation of how the existing or proposed fund for the dismantlement or removal of a pipeline facility or the restoration of a right-of-way will be managed; and

(F) a statement identifying any component of the rate-base computation associated with the dismantlement or removal of a pipeline facility or the restoration of a right-of-way;

(16) for a pipeline carrier that has performed dismantlement or removal of a pipeline facility or the restoration of a right-of-way during the test year, a schedule showing any adjustments pertaining to the costs of the dismantlement or removal of the pipeline facility

or the restoration of the right-of-way included in the schedule submitted in accordance with (5) of this subsection.

(b) Unless otherwise ordered by the commission, (a) of this section does not apply to the following charges and periodic rates, provided cost justification is included with the tariff filings:

(1) charges for connections, reconnections, installations, bad checks, late payments, line extensions, meter testing, special services of a non-utility nature, special equipment (one-time charges), moves and changes, directory listings, or maintaining records;

(2) changes in customer deposit requirements, cooperative association membership fees, payments instead of assessments, or contributions or advances in aid of construction;

(3) initial connection or installation charges and initial, inception, or periodic rates established for new equipment or a new service added to the tariff of a utility or pipeline carrier.

(c) If the information required by (a)(1), (2), (3) and (4) of this section is not available for the entire calendar or fiscal year immediately preceding the tariff filing, the utility shall file the available information for that year and indicate the date the entire information for that year will be filed with the commission.

(d) — (f) Repealed 6/29/84.

(g) Each account referred to in any item required to be filed by (a) of this section shall refer to the proper account number of the applicable Uniform System of Accounts.

(h) In addition to any other supporting studies required by this chapter, if a proposed tariff revision includes a rate redesign, other than an across-the-board increase, a cost-of-service study and a narrative explaining the methodology used in the study must be submitted in the same number of copies as required under 3 AAC 48.270(a).

(i) If the rates for public utility or pipeline carrier services submitted as a part of a tariff filed with an application for transfer of a certificate of public convenience and necessity, or for transfer of a controlling interest in a certificated public utility or pipeline carrier, under AS 42.05.281 or AS 42.06.305 and 3 AAC 48.640(a)(3) and (4), differ from those of the transferor, the applicant shall file supporting financial information required by (a) of this section.

(j) The commission advisory staff, within its resources as provided for in 3 AAC 48.157(b), shall analyze the reasonableness and propriety of a utility's or pipeline carrier's filing, including its accuracy, representativeness, methodology, and conformance with law.

(k) Subsection (a) of this section does not apply to filings for the development and support of access charges. A filing for the development and support of access charges must be in accordance with the Alaska Intrastate Interexchange Access Charge Manual, adopted by reference in 3 AAC 48.440. (Eff. 9/12/75, Register 55; am 6/8/78, Register 66; am 6/29/84, Register 90; am 1/10/99, Register 149; am

5/5/2000, Register 154; am 3/21/2003, Register 165; am 8/19/2006, Register 179) -

Authority: AS 42.04.080	AS 42.05.411	AS 42.06.350
AS 42.05.141	AS 42.05.431	AS 42.06.370
AS 42.05.151	AS 42.05.441	AS 42.06.390
AS 42.05.361	AS 42.06.055	AS 42.06.430
AS 42.05.391	AS 42.06.140	

3 AAC 48.315. Telecommunications utility rate reductions.

(a) A telecommunications utility may reduce a retail rate without commission approval after notice of a tariff filing submitted by the utility in accordance with applicable filing requirements and notice procedures of this chapter, 3 AAC 52, and 3 AAC 53.

(b) Notwithstanding (a) of this section, the commission may act on rates proposed as follows:

(1) in a local exchange area not designated as a competitive local exchange market under 3 AAC 53.205, the commission will either deny or require modification of rates proposed by a local exchange carrier if the proposal violates an applicable statutory requirement of AS 42.05;

(2) in all other areas, a telecommunications utility proposal to reduce retail rates must comply with the applicable requirements of 3 AAC 52.370, 3 AAC 53.240, or 3 AAC 53.243.

(c) The provisions of 3 AAC 48.275(a) do not apply to a telecommunications utility submitting a tariff filing involving a rate reduction that is not associated with a rate increase. This subsection does not prevent the commission or its staff from requesting information necessary to review compliance with (b) of this section.

(d) In taking any action under this section, the commission may, consistent with principles of state and federal antitrust law, act to preserve fair competition, prevent predatory pricing, and prohibit an unjust or unreasonable bundled service. (Eff. 9/16/2005, Register 175)

Authority: AS 42.05.141	AS 42.05.145	AS 42.05.151
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3 AAC 48.425. Depreciation practices for local exchange carriers.

(a) The Federal Communications Commission's *Depreciation Ranges Adopted in CC Docket No. 98-137*, dated December 17, 1999, is adopted by reference and is used as the depreciation ranges in this section. A local exchange carrier may use depreciation projection lives and future net salvage levels from the depreciation ranges for the carrier's property accounts for purposes of developing intrastate depreciation rates. Depreciation rates developed using the depreciation ranges shall be filed with the commission, and those depreciation rates may go into effect without commission approval if the filing meets the requirements of (f) of this section and the filing is not suspended under (g) of this section.

(b) A local exchange carrier requesting a depreciation projection life or net salvage level not included in the depreciation ranges shall obtain commission approval of its proposed depreciation rates before placing the rates in effect.

(c) The commission will consider the actual useful life of depreciated equipment and facilities in establishing depreciation rates.

(d) When proposing depreciation rates, a local exchange carrier has the burden of proof to demonstrate that its proposed depreciation or amortization expenses are adequate, but not excessive, in accordance with AS 42.05.471, and in accordance with generally accepted accounting principles.

(e) Regardless of whether the depreciation ranges are used, the rates proposed in a depreciation study filed under this section become effective if

(1) after publishing notice of the depreciation study in a newspaper of general circulation in the affected service areas of the local exchange carrier, the commission does not receive opposing comments within the comment period of the commission's public notice; and

(2) the commission does not take action within six months after the filing date of a complete depreciation study.

(f) A local exchange carrier may apply depreciation rates developed from the depreciation ranges without commission approval 90 days after the filing of a complete depreciation study that complies with the requirements established in this subsection. The depreciation rates proposed under this subsection are presumed to be adequate, but not excessive, if the proposed rates and study comply with the following requirements:

(1) the proposed depreciation rates are based on a depreciation study that uses the remaining life method of depreciation;

(2) the proposed depreciation rates are based on a depreciation study that uses the straight-line method of depreciation;

(3) the depreciation ranges are used for all property accounts of the carrier;

(4) after publishing notice of the depreciation study in a newspaper of general circulation in the affected service areas of the local exchange carrier, the commission does not receive opposing comments within the comment period of the commission's public notice;

(5) the depreciation study clearly demonstrates the procedures and methods by which the proposed depreciation rates were developed, and that (b) of this section does not apply;

(6) the proposed change in the intrastate depreciation expense does not exceed eight percent from the carrier's previous year's intrastate annual depreciation expense when adjusted to eliminate changes in expense that result from changes in plant account balances; however, the carrier must demonstrate in its filing that the adjustment is just and reasonable.

(g) Notwithstanding (f) of this section, for good cause shown, the commission may issue an order instituting an investigation and suspending the depreciation proposal submitted under (f) of this section. The commission may either approve, deny, or require modification to the carrier's proposal to ensure that adequate, but not excessive, depreciation rates apply in accordance with AS 42.05.471. (Eff. 9/16/2005, Register 175)

Authority:	AS 42.05.141	AS 42.05.411	AS 42.05.431
	AS 42.05.151	AS 42.05.421	AS 42.05.471
	AS 42.05.381		

Editor's note: A copy of the Federal Communication Commission's *Depreciation Ranges Adopted in CC Docket No. 98-137*, dated December 17, 1999, is available for inspection at the offices of the Regulatory Commission of Alaska as specified in 3 AAC 48.010(a).

3 AAC 48.440. Rates for interexchange access. Access charges shall be assessed for use of local exchange telephone utility facilities by the providers of intrastate interexchange telecommunications services. Those charges must be determined, assessed, and collected, and revenues from those charges must be distributed, in accordance with the commission's rules as set out in the *Alaska Intrastate Interexchange Access Charge Manual*, dated June 14, 2006, and adopted by reference. That manual is available at the offices of the Regulatory Commission of Alaska as specified in 3 AAC 48.010(a). (Eff. 2/16/90, Register 113; am 4/7/93, Register 126; am 1/10/99, Register 149; am 4/24/2004, Register 170; am 7/9/2004, Register 171; am 12/12/2004, Register 172; am 8/14/2006, Register 179)

Authority:	AS 42.05.141	AS 42.05.321	AS 42.05.381
	AS 42.05.151	AS 42.05.361	AS 42.05.401
	AS 42.05.311	AS 42.05.371	AS 42.05.830

Article 6. Miscellaneous Provisions.

Section	Section
812. (Repealed)	820. Definitions
814. (Repealed)	

3 AAC 48.812. Role of public advocacy section. Repealed. (Eff. 3/21/2003, Register 165, repealed 4/20/2006, Register 178)

3 AAC 48.814. Public advocacy section participation in proceedings. Repealed. (Eff. 3/21/2003, Register 165; repealed 4/20/2006, Register 178)

3 AAC 48.820. Definitions. Unless the context indicates otherwise, in this chapter

(1) "answer" means a document filed by a respondent or other party against whom a petition is directed or who is affected by the filing of a petition or application;

(2) "applicant" means a person requesting authorization the commission has authority to grant;

(3) "application" means a written document, signed by an applicant or the applicant's authorized representative, in which an authorization is requested which the commission has the jurisdictional authority to grant;

(4) "base rate area" or "primary rate area" means a developed area, specifically delineated in a local exchange telephone utility's certificate of public convenience and necessity and in the maps filed as part of its tariff, within which station service is furnished to subscribers without requiring them to pay mileage charges or to make any contribution in aid of construction;

(5) "central office" means a switching unit in a telephone system having the necessary equipment and operating arrangements for terminating and interconnecting the lines of subscribers or farmer lines and toll lines or interoffice trunks;

(6) "commission" means the Regulatory Commission of Alaska;

(7) "commissioner" means a member of the commission;

(8) "complainant" means a person who complains to the commission of anything done or not done in contravention or violation of the provisions of any statute or other delegated authority administered by the commission, or of any requirement of the commission or any other alleged wrong;

(9) repealed 6/29/84;

(10) "effective tariff" means a tariff that has been filed, noticed and placed in effect in full compliance with all the procedural requirements established by law and by this chapter;

(11) "exchange" or "local exchange" means an operating unit established by a utility for communication service within a specific geographic area; the unit usually embraces a city, town, village or community and its environs, and usually consists of one or more central offices together with the associated plant used in furnishing telephone communication service to the general public within that area;

(12) "exchange area" means a specific area in which a developed local exchange telephone service is furnished by a utility;

(13) "filing or submittal" means applications, declarations, complaints, petitions, and other papers seeking commission action; financial, statistical, and other reports to the commission; original cost and reclassification studies, proposed accounting entries, tariff filings, and other submittals to the commission in compliance with a statute, regulation, or other commission requirement; answers, replies, responses, objections, protests, motions, stipulations, excep-

tions, and other pleadings; exhibits, attachments and appendices; amendments to, corrections of, supplements to, or transmittals or withdrawals of, any of these documents, and any other document filed or submitted under AS 42.05 or AS 42.06 or the applicable provisions of 3 AAC 48, 3 AAC 49, 3 AAC 50, or 3 AAC 52;

(14) "hearing examiner" means any of the following individuals, if authorized and designated by the commission to preside at hearings and perform other duties associated with a formal proceeding:

(A) a member of the commission's staff;

(B) an individual whom the commission employs on a contractual basis;

(C) an employee or officer of an agency of this state, other than the commission;

(15) "informal complaint" means a complaint against a utility involving a jurisdictional matter by a person who, at least initially, prefers to invoke the commission's assistance by means other than a formal proceeding;

(16) "intervenor" means a person who is a party to a proceeding other than an applicant, complainant, petitioner, protestant, or respondent, and who is permitted by the commission, or a commissioner, by law or by order to intervene and become a party to a formal proceeding before the commission in accordance with the criteria set out in 3 AAC 48.110;

(17) "jurisdictional" means any matter which falls within the regulatory jurisdiction of the commission by virtue of a statute or any provision of 3 AAC 48, 3 AAC 49, 3 AAC 50, or 3 AAC 52;

(18) "line extension" means an extension of the lines, cables or radio link facilities of a utility's outside plant facilities which must be installed to provide service to customers so located that they cannot be served from plant facilities already installed and in service;

(19) "local exchange telephone utility" means a utility engaged in the business of furnishing communications service to the public for compensation through one or more local telephone exchanges which may be operated separately or in conjunction with one or more other local telephone exchanges through directly interconnected circuitry whereby extended area service is provided without requiring the payment of a toll charge;

(20) "motion" means a document filed, incidental to an action before the commission, for the purpose of obtaining a ruling or order directing that some action designated by the movant be taken;

(21) "movant" means the moving party in any pleading;

(22) "participant" means an interested member of the public who comments or advocates a position, orally or in writing, on an application, tariff filing, complaint, investigation, or other matter or proceeding before the commission;

(23) "party" means a person who is designated as a party by statute or by the commission by order in a proceeding; "party"

includes an applicant, a complainant, a petitioner, a respondent, an intervenor, a protestant, and the attorney general;

(24) "person" includes a corporation (whether public, private, cooperative, or otherwise), body politic, political subdivision or governmental instrumentality, proprietorship, company, partnership, firm, incorporated or unincorporated association, group of persons, organization, business trust, society, trustee or receiver appointed by a court, a natural person, and the commission's entire staff or any member of the commission's staff;

(25) "petition" means a document filed to initiate a proceeding involving the jurisdiction of the commission;

(26) "petitioner" means a person who files a petition or an application for an affirmative act by the commission;

(27) "presiding officer" means a member of the commission who presides at a hearing or conference or an individual designated by the commission to preside at a hearing or conference;

(28) "procedural order" means an order fixing the time and place of a hearing, or the date, or dates, when pleadings must be filed, or any matter associated with the conduct of an investigation, prehearing conference, or proceeding prior to a final order of the commission containing its conclusions, findings and final decision in a proceeding;

(29) "proceeding" or "formal proceeding" means a jurisdictional formal action instituted by the commission under an assigned caption and docket number, either on complaint, on the commission's own motion, or pursuant to an application, or pleading which requires one or more orders and, in some cases, a hearing that culminates in a decision of the commission which is subject to appeal to a court having jurisdiction over the subject matter of the action;

(30) "proof of service" means a certificate or affidavit of service signed by a party, the party's attorney, or other authorized representative, specifying the time and manner of service and the parties served;

(31) "protestant" means a person who opposes a tariff filing or the granting of an application or petition involving a jurisdictional matter, and who complies with 3 AAC 48.130;

(32) "formal record" or "the record" means every

(A) application, complaint, petition and other papers seeking commission action;

(B) answer, reply, response, objection, protest, motion, stipulation, exception or other pleading, notice, deposition, certificate, proof of service, transcript or brief in a matter or proceeding;

(C) exhibit, attachment to an exhibit, every appendix to exhibit, amendment to an exhibit, correction to an exhibit, supplement to an exhibit, and every letter of transmittal or withdrawal of any matter;

- (D) notice or commission order initiating a proceeding;
 - (E) commission order designating a presiding commissioner or designating a hearing officer, examiner, attorney or other individual for any purpose;
 - (F) transcript of a hearing;
 - (G) exhibit received in evidence;
 - (H) exhibit offered but not received in evidence;
 - (I) offer or proof; and
 - (J) motion, stipulation, subpoena, proof of service, and anything else upon which action of the presiding officer may be based, but not any proposed testimony or proposed exhibit which was not offered or was not received in evidence;
- (33) "reply" means a document filed by a petitioner, or others, in response to an answer;
- (34) "respondent" means a person against whom a complaint, motion, application for declaratory judgment, or a petition is filed or an investigation is initiated;
- (35) "service" or "served" (when used in connection with pleadings, notices, decisions, orders, and other papers) means the delivery of one or more copies of a document to the commission, a party, the party's attorney of record or other authorized representative, either in person or by depositing it in the United States mail, first class (with or without certification, or registration and return receipt required) with postage prepaid, and addressed to the party, the party's attorney, or other authorized representative at the mailing address of record;
- (36) "special contract" includes
- (A) a written agreement between a utility and a customer which contains rates, tolls, rentals or charges, or terms and conditions that deviate substantially from those contained in the same utility's effective tariff for like service offered to the general public under comparable conditions, but excludes contracts that deviate from the serving utility's effective tariff only in respect to incidental matters such as access to the premises, points of delivery, measuring devices, etc., and do not have the effect of granting the contracting customer an unreasonable preference or advantage or of subjecting the customer to an unreasonable prejudice or disadvantage as to rates, service or facilities; or
 - (B) a written agreement between a utility and a customer entered into with express commission approval and providing for interim, retroactively reviewable and revisable rates for service or equipment for which the utility has filed a tariff the operation of which has been suspended by the commission;
- (37) repealed 3/21/2003;
- (38) repealed 7/12/92;
- (39) "radio common carrier" means a radio paging, mobile radio-telephone, or improved mobile telephone public utility service;

(40) “cost-of-service study” means a study of the costs incurred by a utility or pipeline carrier in furnishing service to its customers or shippers, by customer or shipper class, in conformance with generally accepted allocation principles;

(41) “test year” means any 12 consecutive months of operating data selected to evaluate revenue requirements or cost of service; the period selected must be at least as recent as the utility’s or pipeline carrier’s latest calendar or fiscal year;

(42) “normalized test-year” means a historical test-year adjusted to reflect the effect of known and measurable changes and to delete or average the effect of unusual or nonrecurring events, for the purpose of determining a test year which is representative of normal operations in the immediate future;

(43) “economic regulation” means that the commission’s jurisdiction extends to matters concerning rates and charges for public utility or pipeline carrier services, quality of service provided by the utility or pipeline carrier to its customers or shippers, management practices of the utility or pipeline carrier, and customer or shipper complaints concerning the services furnished by a utility or pipeline carrier;

(44) “shipper” means a person or entity which tenders oil or petroleum products to a pipeline carrier for transportation in intrastate commerce in accordance with the pipeline carrier’s effective tariff;

(45) “adjudicatory matters” include commission proceedings that determine disputes between parties or involve rights, privileges, or duties of a party;

(46) repealed 4/24/2004;

(47) “nonpooling company” means a company that is not a participant in the access charge pool established by the Alaska Intrastate Interexchange Access Charge Manual adopted by reference in 3 AAC 48.440;

(48) “pooling company” means a company that is a participant in the access charge pool established by the Alaska Intrastate Interexchange Access Charge Manual adopted by reference in 3 AAC 48.440;

(49) “complete application” means an application that

(A) contains all the information and supporting documents required

(i) in the forms adopted by the commission under 3 AAC 48.620, 3 AAC 48.630, and 3 AAC 48.640; or

(ii) under AS 42.05.325, 3 AAC 48.625, 3 AAC 52.360, 3 AAC 53.210, or 3 AAC 53.810; and

(B) complies with the filing and general requirements of 3 AAC 48.090 and 3 AAC 48.100;

(50) repealed 4/20/2006;

(51) "bundled service" means an offering combining two or more services, one of which is a local or intrastate interexchange service, for a package price that may include a discount or some other benefit; "bundled service" does not include a combination of local service offerings at a package price, or a combination of intrastate interexchange service offerings at a package price;

(52) "local exchange carrier" means a local exchange telephone utility certificated to provide local exchange telephone service. (Eff. 1/13/73, Register 44; am 1/19/80, Register 73; am 6/29/84, Register 90; am 6/27/92, Register 122; am 7/12/92, Register 123; am 1/10/99, Register 149; am 5/5/2000, Register 154; am 3/21/2003, Register 165; am 4/24/2004, Register 170; am 11/24/2004, Register 172; am 9/16/2005, Register 175; am 4/20/2006, Register 178)

Authority:	AS 42.04.070	AS 42.05.391	AS 42.06.140
	AS 42.04.080	AS 42.05.411	AS 42.06.350
	AS 42.05.141	AS 42.05.431	AS 42.06.370
	AS 42.05.151	AS 42.05.441	AS 42.06.390
	AS 42.05.361	AS 42.06.055	

Chapter 49. Deregulation.

Article

1. Deregulation Ballot: Election Procedure (3 AAC 49.010 — 3 AAC 49.100)

Article 1. Deregulation Ballot: Election Procedure.

Section

50. Ballot security, processing, tabulation;
certification of results

3 AAC 49.050. Ballot security, processing, tabulation; certification of results. (a) When marked ballots arrive either at the office of the commission or its designated ballot counting agent, the entire envelope must remain intact. Only those ballots that are delivered by hand to the commission, or those that are received without a postmark or with a postmark that is obliterated or illegible will be time and date stamped. Ballots then will be placed in a secure, locked container, including but not limited to, for example, a locked file, safe, or cabinet, and may not be removed until all ballots are received and the processing and tabulation begins. All ballots and ballot-related material must be returned to that container when the ballots are not being processed or used in processing, until disposed of under 3 AAC 49.070.

(b) The commission will, in its discretion, wait for 10 days after the deadline for receipt of ballots before beginning the processing and counting of ballots to ensure that all ballots postmarked by the deadline prescribed in AS 42.05.712(c) have been received.

(c) The commission will appoint a team of counters from among its staff, and will designate one of the team as its chief. A team of at least three but not more than five counters will be so designated. If the number of ballots requires it, the commission may appoint more than one team of counters. At the commission's option, or at the utility's or cooperative's written request accompanied by its agreement to assume the costs, instead of appointing ballot counters from among its staff, the commission will, in its discretion, contract with the Division of Elections (Office of the Lieutenant Governor) or with an independent accounting firm to act as a ballot counting agent for the commission to count the ballots, tabulate the results, and report them to the commission for certification in accordance with AS 42.05.712(e) and 3 AAC 49.010 — 3 AAC 49.080.

(d) The commission will notify the affected utility or cooperative and other interested parties as to the time, date, and place of ballot counting. Ballot counting will take place only during the commission's or a ballot counting agent's normal business hours.

(e) The utility or cooperative, or a group of subscribers or members in support of or in opposition to the deregulation question, may appoint, at its own expense, one or more poll watchers to observe the

ballot counting process. No utility, cooperative, or group of subscribers or members may have more than one watcher on duty at a time to observe each counting team. The watcher may be present at the place of counting in a position which affords a full view of all action of the counters from the time the ballots are removed from their secure location until the ballots are finally counted and the results certified by the commission. The commission will, in its discretion, require each watcher to present written proof that he or she is the watcher appointed by the utility, cooperative, or group of subscribers or members he or she represents. The commission will ensure that proper decorum is maintained during the counting process to assure the privileges of the watchers and the proper, orderly conduct of the election.

(f) The ballot counting team first shall tabulate the total number of ballots received before the votes for and against the question are counted. If less than 15 percent of the eligible subscribers or members have returned ballots to the commission, the votes for and against the question need not be counted. If at least 15 percent have been returned, the team shall examine each mailing or outer envelope and will determine whether the voter is qualified to vote and whether the ballot has been properly cast by comparing the subscriber's or member's name and account or membership number on the outer envelope with the certified list of subscribers or members supplied by the utility or the cooperative. When this verification procedure is completed, the small envelope containing the ballot may be removed from the large mailing envelope in accordance with (i) of this section. The latter envelope must be retained until it is disposed of under 3 AAC 49.070.

(g) A ballot may not be counted if

(1) the voter has failed to properly execute the certificate containing his or her signature, printed or typed name, and account or membership number;

(2) the ballot, if postmarked, is not postmarked on or before the 30th day from the date of mailing or delivery of ballots to eligible voters; or

(3) the ballot is improperly marked under 3 AAC 49.040(a).

(h) If a ballot is rejected, the counters will place all rejected ballots in a separate envelope with a statement of the reason the ballot or ballots were rejected. The envelope must be labeled "rejected ballots" and must be retained until disposed of in accordance with 3 AAC 49.070.

(i) If a ballot is not rejected, the large envelope must be opened and the small envelope containing the ballot must be placed in a container and mixed with other small envelopes. The small envelopes must be drawn from the container, opened, and the ballots removed and counted.

(j) Upon completion of the ballot counting, the counting team or teams, or the ballot counting agent, will execute a certificate indicating

the total number of ballots cast, the total number of ballots counted, the total number of ballots rejected either under (g) of this section or 3 AAC 49.040(a), and the total number of ballots cast for or against the ballot question. The commission will review the certified results, the tabulation, and the certification prepared by the counting team or teams or the counting agent, and issue its certification of the results, including certification that the procedural requirements set out in 3 AAC 49.010 — 3 AAC 49.060 have been adhered to or complied with. The commission will issue its certification by order or letter order. (Eff. 8/14/80, Register 75; am 1/7/81, Register 77)

Authority: AS 42.05.151(a) AS 42.05.712

Editor's note: As of Register 176 (January 2006), the regulations attorney made a technical revision under AS 44.62.125(b)(6), to 3 AAC 49.050(c).

Chapter 52. Operation of Public Utilities.

Article

3. Telephone Utilities (3 AAC 52.200 — 3 AAC 52.340)
4. Criteria for Intrastate Interexchange Telephone Competition (3 AAC 52.350 — 3 AAC 52.399)
5. Electric Utilities (3 AAC 52.400 — 3 AAC 52.500)
6. Adjustment Clause (3 AAC 52.501 — 3 AAC 52.519)
7. Criteria for Determination of Power Cost Equalization (3 AAC 52.600 — 3 AAC 52.690)
8. Water and Wastewater Utilities (3 AAC 52.700 — 3 AAC 52.749)

Publisher's note: As of Register 170 former Article 8 was renumbered as (July 2004), new Article 8 was added and present Article 9.

Article 3. Telephone Utilities.

Section

310. Switching design standards
340. Definitions

3 AAC 52.310. Switching design standards. (a) Each utility shall maintain records for each exchange regarding the service items contained in these standards. These records must be maintained in a manner that permits audit by the commission's advisory staff.

(b) Every properly dialed call shall terminate in one of the following, unless it encounters a trouble condition:

(1) the call will progress to the number dialed, the calling customer will receive an audible indication of a ring, and the called telephone will ring; or

(2) if the called line is busy, the calling customer will receive a line-busy signal (60 impulses per minute); or

(3) the call will progress only part of the way through the switch train and, having reached an overflow condition, the calling customer will receive an overflow signal (120 impulses per minute) or announcement readily differentiated from a subscriber busy signal;

(4) unassigned numbers in an end office will receive a line-busy signal or an intercept announcement.

(c) Each utility shall employ a design criterion for dial-tone delay for the average busy hour of the business days of the busy season of each of its originating central office entities to enable at least 98.5 percent of attempts to receive a dial tone within three seconds. Delays of more than five percent of attempts failing to receive dial tone within three seconds indicate a need for investigative or corrective action by the utility.

(d) Each utility shall employ a design criterion for blockages and equipment failures for the average busy hour of the business days of the busy season as follows:

- (1) three percent or less for overall intraoffice switching;
- (2) two percent or less for access to interoffice, toll, or attendant trunks;
- (3) one percent for interoffice terminating calls;
- (4) one percent for groups of five or more trunks;
- (5) one percent for toll trunk switching.

(e) The surveillance level for each item in (d) of this section is when five percent or more of call attempts encounter blockages or equipment failures. The surveillance level for trunk groups of four or fewer trunks is such as to provide at least one working trunk for each 12 ccs of telephone traffic load during the average busy hour of the business days of the busy season.

(f) Selection of busy hours, business days, and busy season periods must be in accordance with recognized sampling techniques approved by the commission staff, such as those specified in Bell System Traffic Facilities Practices, Continental Telephone System Practices, General Telephone Engineering Practices or the Rural Electrification Administration Telephone Engineering and Construction Manual. (Eff. 1/5/79, Register 69; am 3/21/2003, Register 165; am 4/20/2006, Register 178)

Authority: AS 42.05.141 AS 42.05.291 AS 42.05.331
AS 42.05.151

3 AAC 52.340. Definitions. Unless the context indicates otherwise, in 3 AAC 52.300 — 3 AAC 52.340

- (1) “access code for long-distance operator” means the preliminary digits that must be dialed to be connected to the long-distance operator;
- (2) “access line” means a circuit between a subscriber’s telephone or private branch exchange and the switching center which serves them;
- (3) “attempt” means the offering or initiating of a telephone call by a calling customer;
- (4) “attendant trunk” means a trunk connecting the caller to an operator;
- (5) “average busy season busy hour” means the time-consistent hour, not necessarily a clock hour, having the highest business day load throughout the busy season; it is the same hour for the entire busy season;
- (6) “blockage” means a failure in the sequence of connecting a calling customer to a called customer caused by equipment in the busy condition;
- (7) “bona fide request” means a good-faith written request by a certificated intrastate interexchange carrier, other than the incum-

bent carrier, to a local exchange telephone utility for equal access service;

(8) "business day" means each day of a calendar week except Saturdays, Sundays, and holidays; holidays are the days which are observed by each individual telephone utility;

(9) "busy hour" means the continuous one-hour period of the day during which the greatest volume of traffic is handled by the facility;

(10) "busy season" means the period of the year consisting from one to three consecutive calendar months during which the greatest volume of traffic is handled in a given central office;

(11) "cable assignment records" means listings of all cable pairs and the interconnections that have been made between them and other cables or equipment;

(12) "call" means an attempted telephone message;

(13) "ccs" means a hundred call seconds; it is a unit of measurement of telephone traffic and represents the equivalent of one call lasting for 100 seconds;

(14) "central office" means a facility having the necessary equipment and operating arrangements for terminating and interconnecting customer lines and trunks or trunks only; however, there may be more than one central office in a building;

(15) "central office entity" means a group of lines using common originating equipment;

(16) "commission" means the Regulatory Commission of Alaska;

(17) "construction program" means a list of projects with their related expenditures that are planned for the budget year; project categories include land and building, central office equipment, outside plant, station equipment, and general equipment;

(18) "cross-talk" means an unwanted signal in one circuit coming from an adjacent circuit;

(19) "customer" means a person, firm, partnership, corporation, municipality, cooperative organization, or governmental agency supplied with telecommunication service by a telephone utility;

(20) "customer line" means a circuit connecting a customer's instrument to the central office;

(21) "customer trouble report" means an oral or written complaint from a customer or user of telecommunication service relating to a physical defect, a difficulty or dissatisfaction with the operation of the utility's facilities; one report must be counted for each oral or written report received even though it may duplicate a previous report or merely involve an inquiry concerning progress on a previous report; when several troubles are reported by one customer, a separate report must be counted for each trouble;

(22) "demand and facility chart" means a chart which presents in statistical and graphical form the past history, current status, and future projection of central office data; one chart includes data for

one central office entity or toll switch and contains future expansion plans;

(23) "directory" means a paperbound volume which lists alphabetically the names of subscribers and their corresponding telephone numbers and may include but is not limited to a yellow pages listing;

(24) "directory assistance" means the furnishing of telephone numbers to customers;

(25) "equal access" means a method of interconnection between a local exchange telephone utility and all long distance carriers serving the exchange that

(A) allows a customer's interexchange calls to be automatically directed to the customer's chosen primary interexchange carrier when the customer dials 1-plus or any other abbreviated dialing arrangement authorized by the commission;

(B) requires local exchange telephone utility access service to be made available in equal kind, quality, and price to all interexchange telephone utilities; and

(C) is commonly provided using Feature Group D signalling and interconnection arrangements;

(26) "equipment assignment records" means listings which identify the connections made to each equipment unit;

(27) "exchange" means a unit established by a telephone utility for the administration of telecommunications service in a specified area for which a separate local rate schedule is provided; it may consist of one or more central offices;

(28) "extension station" means an additional station connected on the same circuit as the main station and subsidiary to it;

(29) "Feature Group A" means a line-side connection for interexchange service that is accessed via a 7-digit telephone number that may vary with each exchange;

(30) "Feature Group B" means a trunk-side connection for interexchange service that is accessed by dialing "950-XXXX," with the "XXXX" identifying the desired intrastate interexchange carrier;

(31) "Feature Group D" means a trunk-side connection for interexchange service that is accessed by 1-plus or no-plus dialing by customers presubscribed to the intrastate interexchange carrier or by dialing 10XXX by customers not presubscribed to the intrastate interexchange carrier with the "XXX" identifying the desired intrastate exchange carrier;

(32) "full selective ringing" means a system that permits ringing only one customer on a multi-party circuit;

(33) "held application" means an application for telephone service that cannot be satisfied within the standard installation interval;

(34) "incumbent carrier" means the telephone utility, or its successor, certificated in commission Docket U-69-24 to provide intrastate interexchange telephone service;

(35) "intercept calls" means calls that were improperly addressed and were redirected to an operator or machine which responds with an appropriate recorded message;

(36) "interexchange carrier" means any individual, partnership, association, joint-stock company, trust, governmental entity, or corporation engaged for hire in interexchange communication by wire, fiber, or radio, between two or more exchanges;

(37) "interoffice calls" means calls originating in one central office entity and terminating in another;

(38) "intraoffice switching" means the switching of a call that originates and terminates in the same central office entity;

(39) "keep cost order" means a work order in association with which exact records are kept of the time spent and costs incurred;

(40) "local call" means a telephone call between two stations both of which are located in an area within which intercommunications service is furnished under local rate schedules as specified in the telephone utility's tariffs;

(41) "local service" means telecommunications service furnished under local rate schedules;

(42) "long-distance call" means a telephone call between stations in different local service areas which is furnished under toll rate schedule in the utilities' tariff;

(43) "long lines carrier" means the utility which provides intrastate and interstate circuits;

(44) "loop-around test line" means a line, usually with two terminations accessible on a dial-up basis, that permits one person in a toll office to make two-way transmission tests;

(45) "loss objective of intertoll trunks consistent with the nationwide switching plan" means a transmission loss objective as specified in *Notes on Distance Dialing* published by the American Telephone and Telegraph Company (AT&T) or in *Notes on Transmission Engineering* published by the United States Independent Telephone Association;

(46) "main station" means the principal telephone to which a telephone number is assigned and which is connected to the central office equipment by a individual- or party-line circuit;

(47) "no-plus" means a system of dialing in which the calling party dials an interexchange call without any prefix;

(48) "office trunking diagram" means a simplified diagram of a central office entity showing the major components and their interconnections;

(49) "1-PIC dialing" means that a telephone customer's intrastate interexchange call and 0-minus call is routed to the customer's presubscribed interstate interexchange carrier for that access line;

(50) "1-plus" means a system of dialing in which the calling party dials the prefix "1" prior to the telephone number for an interexchange call;

(51) "outside plant" means the telecommunications equipment and facilities installed on, along, over, or under streets, alleys, or highways, or on private rights-of-way between the central office and customers' locations, or between central offices;

(52) "overflow" means the encountering of equipment or facilities in the busy condition during the progressive establishment of a call;

(53) "party-line service" means telephone service which provides that two or more main stations may be served by the same central office circuit;

(54) "PIC" means primary interexchange carrier;

(55) "presubscribed carrier" means the carrier selected by or assigned to a customer's access line through the presubscription process;

(56) "presubscription" means the process by which customers may select a primary interexchange carrier to handle toll calls for a particular access line on a 0-plus, 0-minus, and no-plus or 1-plus basis;

(57) "primary service" means individual-line service or party-line service;

(58) "public telephone" or "public pay telephone" means a telephone instrument, usually equipped with a coin-collecting device, that is installed by a utility certificated by the commission to provide local exchange service for the use of the general public; "public telephone" or "public pay telephone" does not include a private pay telephone instrument provided to the general public under 3 AAC 53.800 — 3 AAC 53.899;

(59) "quiet termination" means a line that terminates in an impedance that simulates the nominal office impedance;

(60) "regrade" means a change between one class of party-line service and another class of party-line service or between a party-line service and an individual-line service;

(61) "service interruption" means the inability to complete calls to or from a telephone station due to facility malfunctions or human error; except that the term as used in secs. 200—340 of this chapter does not include service difficulties such as slow dial tone, circuits busy or other network or switching capacity shortages, nor may it be construed to apply where service is interrupted by the negligence or willful act of the subscriber, emergency situation, unavoidable casualties and acts of God, or where the company, under provisions of its tariff, suspends or terminates service because of nonpayment of bills payable to the utility, unlawful or improper use of the facilities or service, or any other reason covered by filed and approved tariffs or regulations of the commission;

(62) "service standard" means a level of service which a telephone utility, under normal conditions, is expected to meet in its certificated territory as representative of adequate service;

(63) "standard installation interval" means 10 working days for the installation of primary service; for other tariffed services when a standard interval is not specified in the tariffs, it means a reasonable period that conforms to general practice in the telephone industry;

(64) "station" means an instrument consisting of a transmitter, receiver, and associated equipment wired to permit the sending or the receiving of messages;

(65) "subscriber" means a customer;

(66) "surveillance level" means a measured grade of service that is generally indicative of a weak spot in a utility's operation and requires investigation or corrective action by the utility;

(67) "telephone utility" means a public utility which furnishes telecommunications service;

(68) "toll operator" means a person who operates a device that establishes, supervises, and times toll calls and who renders assistance to customers in placing toll calls;

(69) "toll trunk" means a trunk which connects a local central office with its toll operating office or a trunk interconnecting toll-operating offices;

(70) "trouble" means the improper function or defective conditions with respect to the operation of telephone facilities over which the telephone utility has control;

(71) "trunk" means a communications channel between central office units or entities;

(72) "2-PIC dialing" means that a telephone customer may select, for each access line, an intrastate interexchange carrier that is different from the customer's presubscribed interstate interexchange carrier and, after selection, may connect to that intrastate interexchange carrier by dialing 0-plus, no-plus, or 1-plus before the telephone number for an intrastate interexchange call or by dialing 0-minus;

(73) "utility" means a telephone utility;

(74) "working days" means business days;

(75) "0-plus" means a method of dialing for an operator-assisted call in which the calling party dials "0" plus the phone number, an operator comes on line, and the caller states the type of call being attempted; this dialing pattern is used primarily for collect, credit-card, person-to-person, and third-party billed calls;

(76) "0-minus" means a method of dialing for an operator-assisted call in which the calling party dials only "0", an operator comes on line, and the caller states the type of call being attempted;

(77) repealed 4/20/2006. (Eff. 1/5/79, Register 69; am 6/29/84, Register 90; am 6/27/92, Register 122; am 10/29/94, Register 132; am 9/20/96, Register 139; am 3/21/2003, Register 165; am 4/24/2004, Register 170, am 4/20/2006, Register 178)

Authority: AS 42.04.070	AS 42.05.311	AS 42.05.810
AS 42.05.141	AS 42.05.321	AS 42.05.990
AS 42.05.151	AS 42.05.800	

Article 4. Criteria for Intrastate Interexchange Telephone Competition.

Section	Section
363. (Repealed)	380. Reporting, verification, and auditing requirements
365. Discontinuance, suspension, or abandonment of service	385. Standards of service
370. Retail rates	390. Miscellaneous provisions
375. Wholesale service and rates	399. Definitions

3 AAC 52.363. Determination of dominant status. Repealed. (Eff. 3/16/91, Register 117; repealed 9/16/2005, Register 175)

3 AAC 52.365. Discontinuance, suspension, or abandonment of service. (a) An intrastate interexchange carrier may not discontinue, suspend, or abandon telecommunications service without commission approval under AS 42.05.261. A carrier that files a request with the commission to discontinue, suspend, or abandon service under AS 42.05.261 shall give written notice of that request to

- (1) repealed 9/16/2005;
- (2) the carrier's subscribers at the location where the carrier proposes to discontinue, suspend, or abandon service; and
- (3) each local exchange carrier and interexchange carrier serving the location where the carrier proposes to discontinue, suspend, or abandon service.

(b) repealed 9/16/2005.

(Eff. 3/16/91, Register 117; am 9/1/2002, Register 163; am 9/16/2005, Register 175)

Authority: AS 42.05.141	AS 42.05.241	AS 42.05.810
AS 42.05.151	AS 42.05.711	AS 42.05.990
AS 42.05.221		

3 AAC 52.370. Retail rates. (a) The retail rates for message telephone service of each interexchange carrier must be geographically averaged. If rates vary by the distance over which calls are placed, the rate for each mileage band must be equal to or greater than the rate for the next shorter mileage band. Discounts, if offered, must be available at all locations in the state where the carrier offers service.

(b) A certificated carrier shall maintain a current tariff of retail rates and all special contracts for retail rates on file with the commission. The certificated carrier may modify retail rates, offer new or repackaged services, and implement special contracts for retail service without approval of the commission after 30 days' notice to the commission of a tariff filing submitted in accordance with 3 AAC

48.220, 3 AAC 48.240, and 3 AAC 48.270. A tariff filing by a registered entity must comply with 3 AAC 52.367 unless it is a special contract. A special contract filed by a registered entity must be submitted in accordance with 3 AAC 48.220, 3 AAC 48.240, and 3 AAC 48.270. A modification in retail rates must be consistent with (a) of this section.

(c) Repealed 9/16/2005.

(d) Notwithstanding (b) of this section, the commission will disapprove and require modification of rates that are not just and reasonable or that grant an unreasonable preference or advantage to any customer or subject a customer to an unreasonable prejudice or disadvantage.

(e) A carrier offering an intrastate interexchange service on a 1-plus direct-dialed basis shall make the service available statewide. In an area where the carrier does not offer 1-plus direct-dialed service, the carrier shall provide the service through a toll-free number or through a calling card with not additional surcharge. If a carrier is unable to provide the service through a toll-free number or calling card, the carrier shall request commission approval of an alternative method of providing service or seek a waiver of this subsection. (Eff. 3/16/91, Register 117; am 7/8/93, Register 127; am 9/1/2002, Register 163; am 5/18/2003, Register 166; am 9/16/2005, Register 175)

Authority: AS 42.05.141	AS 42.05.241	AS 42.05.711
AS 42.05.151	AS 42.05.431	AS 42.05.990
AS 42.05.221		

3 AAC 52.375. Wholesale service and rates. (a) A certificated interexchange carrier shall offer all its services for resale to other carriers. Services must be offered for resale at wholesale rates to the extent determined appropriate in view of the facilities and general service offerings of the interexchange carrier.

(b) The certificated carrier shall maintain a current tariff of wholesale rates and all special contracts for wholesale rates on file with the commission. The carrier may reduce wholesale rates without approval of the commission after 30 days' notice to the commission of a tariff revision submitted in accordance with 3 AAC 48.220, 3 AAC 48.240, and 3 AAC 48.270. A tariff revision to increase wholesale rates, to offer new or repackaged wholesale services, or to implement special contracts for wholesale service is subject to the provisions of 3 AAC 48.220, 3 AAC 48.240, 3 AAC 48.270, and 3 AAC 48.280 — 3 AAC 48.410 and must also include quantitative data, including cost-of-service data, in support of the proposed rates.

(c) Repealed 9/16/2005.

(d) Notwithstanding (b) of this section, the commission will disapprove and require modification of wholesale rates that are not just and reasonable or that grant an unreasonable preference or advantage to

any customer or subject a customer to an unreasonable prejudice or disadvantage.

(e) The wholesale rates for services for resale are not required to be averaged geographically.

(f) Within 60 days after receiving a written bona fide request for an unbundled rate element, a carrier shall offer the rate element by tariff if doing so is not unduly economically burdensome, is technically feasible, and is otherwise consistent with existing regulations. The time period for offering the element may be modified by agreement of the carrier and the entity making the bona fide request or by order of the commission. A carrier denying a bona fide request shall, within 30 days after receiving the request, deliver a written denial stating the reasons for denial to the entity making the request. The carrier shall also file a copy of the written denial with the commission.

(g) A carrier that does not own or control transmission facilities is exempt from the requirements of this section if the carrier has not received a bona fide request for intrastate wholesale service. If the carrier exempt under this subsection receives a bona fide request for intrastate wholesale service, the carrier shall comply with (a) - (f) of this section or apply to the commission for a continued exemption. (Eff. 3/16/91, Register 117; am 7/8/93, Register 127; am 9/1/2002, Register 163; am 5/18/2003, Register 166; am 9/16/2005, Register 175)

Authority:	AS 42.05.141	AS 42.05.241	AS 42.05.711
	AS 42.05.151	AS 42.05.431	AS 42.05.990
	AS 42.05.221		

3 AAC 52.380. Reporting, verification, and auditing requirements. (a) An interexchange carrier shall submit to the commission, to each exchange access service provider, and to each association of exchange access service providers data necessary for the calculation of access charges in accordance with the Alaska Intrastate Interexchange Access Charge Manual, adopted by reference in 3 AAC 48.440, and the effective access charge tariffs.

(b) An interexchange carrier shall retain for a period of three years the records, including billing tapes, from which the data specified in (a) of this section is obtained.

(c) All information submitted by an interexchange carrier under (a) of this section is available for public inspection.

(d) An interexchange carrier may petition the commission to authorize an independent audit of the information provided by another interexchange carrier under (a) of this section. The interexchange carrier requesting an audit must pay for the cost of the audit. If the commission determines, based on the audit, that the information provided by the audited interexchange carrier is inaccurate by a margin exceeding 2 percent or by a margin that resulted in an underpayment of access charges by an amount exceeding \$200,000 on

an annual basis, the audited interexchange carrier shall reimburse the cost of the audit and shall be subject to civil penalties in accordance with AS 42.05.571 — 42.05.621. In addition, an interexchange carrier that is determined to have underpaid access charges shall correct that underpayment in accordance with the tariff of the Alaska Exchange Carriers Association.

(e) An interexchange carrier that owns or controls interexchange facilities in the state shall file annually with the commission a report identifying occurrences of the carrier's noncompliance with the state telecommunications modernization plan set out in 3 AAC 53.700 — 3 AAC 53.720. The carrier shall also identify progress toward compliance with the deadline requirements of 3 AAC 53.700 — 3 AAC 53.720.

(f) An interexchange carrier or alternate operator service provider shall annually submit calendar year traffic data, disaggregated by month, within 90 days after the end of each calendar year. The traffic data must be submitted in a format prescribed by the commission. (Eff. 3/16/91, Register 117; am 9/1/2002, Register 163; am 5/18/2003, Register 166; am 9/16/2005, Register 175)

Authority: AS 42.05.141	AS 42.05.221	AS 42.05.431
AS 42.05.151	AS 42.05.241	AS 42.05.990

3 AAC 52.385. Standards of service. (a) The provisions of 3 AAC 52.200 — 3 AAC 52.340 do not apply to an interexchange carrier who is not a carrier of last resort under 3 AAC 52.390(c) and is not assigned any responsibilities of a carrier of last resort, except that a carrier that owns or controls interexchange facilities in the state shall comply with 3 AAC 52.280(b) and 3 AAC 52.330 for its interexchange carrier operations.

(b) Traffic initially routed over the facilities of one interexchange carrier that is blocked due to busy circuits may not be automatically rerouted to the facilities of another interexchange carrier without the written agreement of the other carrier.

(c) A local exchange carrier may not disconnect a customer from local service for failure to pay interexchange carrier charges. (Eff. 3/16/91, Register 117; am 9/1/2002, Register 163; am 9/16/2005, Register 175)

Authority: AS 42.05.141	AS 42.05.221	AS 42.05.711
AS 42.05.151	AS 42.05.241	AS 42.05.990

3 AAC 52.390. Miscellaneous provisions. (a) The provisions of

(1) 3 AAC 48.230, do not apply to an interexchange carrier; however, the commission may require changes to a billing or contract form if that form is confusing or misleading to customers, or is contrary to the public interest; and

(2) 3 AAC 48.275, 3 AAC 48.277, and 3 AAC 48.430 do not apply to an interexchange carrier.

(b) Repealed 9/16/2005.

(c) The incumbent interexchange carrier is the carrier of last resort unless the commission by order changes the carrier's responsibilities under this subsection. Upon petition or on its own motion and after an opportunity for a hearing, the commission may reassign carrier of last resort responsibilities, in whole or in part, to one or more facilities-based intrastate interexchange carriers. A carrier or carriers of last resort for unserved areas will be designated by the commission based on the public interest and on the carrier's capability to serve.

(d) Provisions governing the reassignment of a subscriber's access line or lines to a different interexchange carrier are set out in 3 AAC 52.334.

(e) No implicit modification or waiver of any statutory or regulatory requirements is intended by 3 AAC 52.350 — 3 AAC 52.399; absent specific modification or waiver, all statutory and regulatory requirements remain in effect.

(f) For each proposed retail tariff revision, an interexchange carrier shall give public notice of that tariff revision by publication in a widely distributed newspaper of general circulation and shall file with the commission a written and an electronic copy of each notice. The carrier shall publish and file each notice no later than five days after filing the proposed tariff revision with the commission.

(g) For each proposed wholesale tariff revision, an interexchange carrier shall provide public notice of that tariff revision on its Internet web site and shall file with the commission both a written and an electronic copy of the notice. The carrier shall post and file the notice no later than five days after filing the proposed tariff revision with the commission.

(h) In a notice required under (f) or (g) of this section, the carrier shall provide a general description of the proposed tariff revision that is accurate, written in plain English, and in sufficient detail to explain the proposal. The notice must include the following information:

(1) the date the carrier made or will make its filing with the commission;

(2) the date the revision is expected to become effective;

(3) a listing of the principal rates and rate changes proposed;

(4) a brief explanation of the principal changes proposed to the carrier's rules of service;

(5) a statement identifying where the proposed revision and the carrier's current tariff are available for public review in the state;

(6) a statement similar to the following: "Any person may file written comments on this tariff revision with the Regulatory Commission of Alaska, 701 West Eighth Avenue, Suite 300, Anchorage, Alaska 99501. To assure that the Commission has sufficient time to

consider the comments before the revision takes effect, your comments must be filed with the Commission no later than (a specific date, not a weekend or holiday, approximately 7-10 days before the filing takes effect).”

(i) An interexchange carrier providing wholesale services shall notify the commission in writing of the address of the carrier’s Internet web site where the public notice of proposed wholesale rate and service provisions will be published.

(j) An interexchange carrier may not assess a termination penalty if a customer prematurely cancels a term contract with the carrier when the customer changes carriers as a result of equal access balloting.

(k) The commission may revoke a registered entity’s operating authority for good cause, including failure to comply with the provisions of 3 AAC 52.350 — 3 AAC 52.399.

(l) An interexchange carrier that offers a bundled service shall, in its tariff provision describing the bundled service offering and in the public notice of any proposed bundled service tariff provision, separately identify the rates for local and intrastate interexchange services included in the bundle and offer the intrastate interexchange services and rates on a statewide basis. An interexchange carrier that offers a bundled service shall offer the customer the alternative of purchasing intrastate interexchange service on a stand-alone basis. An interexchange carrier that offers discounted intrastate interexchange service as part of a bundle is required to provide the discounted intrastate interexchange service on a stand-alone basis only in locations where the bundled offering is not available. An intrastate interexchange carrier that offers bundled services including local exchange service must also comply with 3 AAC 53.295.

(m) On or before March 31 of each year, an interexchange carrier shall file a financial report of the carrier’s intrastate interexchange operations in the state for the previous calendar year. Non-interexchange operations must be excluded from the financial report. The financial report must include detailed information regarding

- (1) gross revenues;
- (2) sale for resale revenues;
- (3) billing and collection revenues; and
- (4) directory assistance revenues.

(n) On or before March 31 of each year, an interexchange carrier that under (c) of this section is a carrier of last resort or is assigned a responsibility of a carrier of last resort shall file

(1) the prior year’s end-of-year balances for plant in service, net plant, and expenses associated with providing interexchange service in the state for

- (A) satellite and earth station radio system facilities;
- (B) microwave and other non-satellite-related radio facilities;
- (C) circuit equipment;

(D) metallic-based cable and wire facilities; and

(E) non-metallic-based cable and wire facilities; and

(2) a description of any change from the previous year's filing in the carrier's accounting standards or procedures that affects the financial data required in this subsection.

(o) On or before March 31 of each year, an interexchange carrier shall file with the commission a map or a listing identifying each location where the carrier owns or controls interexchange facilities and identifying each type of facility that is sited at each location. After an initial filing, absent changes to the facilities map or listing, the interexchange carrier shall file verification that no changes to the map or listing have occurred. If the interexchange carrier does not own or control an interexchange facility in the state,

(1) a map or listing is not required; and

(2) on or before March 31 of each year, the carrier shall provide verification that it does not own or control an interexchange facility in the state. (Eff. 3/16/91, Register 117; am 7/8/93, Register 127; am 9/1/2002, Register 163; am 5/18/2003, Register 166; am 8/27/2004, Register 171; am 9/16/2005, Register 175)

Authority: AS 42.05.141 AS 42.05.151 AS 42.05.800
AS 42.05.145 AS 42.05.291

3 AAC 52.399. Definitions. Unless the context indicates otherwise, in 3 AAC 52.350 — 3 AAC 52.399

(1) "commission" means the Regulatory Commission of Alaska;

(2) repealed 9/16/2005;

(3) "geographically averaged rates" means rates that use the same tariff provisions and rate schedules to apply to all message telephone service communications of the same distance, regardless of the originating and terminating points of the communication;

(4) "incumbent carrier" means the telephone utility, or its successor, certificated in commission Docket U-69-24 to provide intrastate interexchange telephone service; "incumbent carrier" does not include an incumbent local exchange carrier;

(5) "interexchange carrier" means a carrier certificated or registered to provide intrastate interexchange telephone service;

(6) "local exchange carrier" means a local exchange telephone utility certificated to provide local exchange telephone service;

(7) repealed 9/1/2002;

(8) repealed 9/16/2005;

(9) "bona fide request" means a good-faith written request by a certificated or registered intrastate interexchange carrier;

(10) repealed 9/16/2005;

(11) "1-plus" means a system of dialing in which the calling party dials the prefix "1" before the telephone number for an interexchange call;

(12) “unbundled rate element” means a rate for a service that is priced separately from other services and allows a customer a reasonable opportunity to purchase a desired service without an obligation to purchase unwanted services;

(13) “affiliated interest” has the meaning given in AS 42.05.990;

(14) “alternate operator service” has the meaning given in AS 42.05.325(c);

(15) “incumbent local exchange carrier” means the telephone utility, or its successor, certificated to provide local exchange telephone service within its service area as of February 8, 1996;

(16) “bundled service” means an offering combining two or more services, one of which is intrastate interexchange service, for a package price that may include a discount or some other benefit; “bundled service” does not include a combination of intrastate interexchange service offerings at a package price;

(17) “affiliate” has the meaning given “affiliated interest” in AS 42.05.990;

(18) “control” by a carrier refers to the ability of the carrier or its affiliate to direct the use of facilities regardless of whether the carrier directly owns the facilities. (Eff. 3/16/91, Register 117; am 9/1/2002, Register 163; am 5/18/2003, Register 166; am 4/24/2004, Register 170; am 8/27/2004, Register 171; am 9/16/2005, Register 175)

Authority: AS 42.05.141 AS 42.05.151 AS 42.05.800
AS 42.05.145 AS 42.05.291

Editor’s note: As of Register 175 (October 2005), the regulations attorney made a technical revision under AS 44.62.125(b)(6), to 3 AAC 52.399(11).

Article 5. Electric Utilities.

Section

410. Establishment of permanent service

450. Disconnection of service

3 AAC 52.410. Establishment of permanent service. (a) A utility may require a new applicant for service to appear at the utility’s designated place of business to produce proof of identity and complete the utility’s application form. A utility may accept an application filed by an authorized representative of the applicant.

(b) A utility must obtain from each new applicant for service the following minimum information:

- (1) name or names of applicant;
- (2) service address or location, and telephone number;
- (3) billing address and telephone number, if different than service address;
- (4) address where service was provided previously;

(5) date when applicant will be ready to receive service;

(6) information as to whether service premises had been previously supplied with utility service;

(7) statement as to whether applicant is owner, tenant, or agent for the service premises; if the applicant is a tenant, name, address, and telephone number of owner or owner's agent;

(8) information concerning the purpose for which service is to be used, including the anticipated energy and demand requirements of the customer;

(9) type of life support equipment, if any, used by the customer or by a resident at the service premises; and

(10) the name and address of any third party that the customer wishes to designate to be copied with any termination notice issued under 3 AAC 52.450(c).

(c) At the time the customer applies for service, utility personnel shall advise the customer of the most economical class of service available and assist the customer in making an informed choice in service offerings if alternate classes of service are available to that customer.

(d) An applicant for service is responsible for all inside wiring, including the service entrance and meter socket.

(e) A utility may include in its tariff a charge for the establishment, disconnection, or reconnection of utility services.

(f) A utility shall establish service to existing facilities within five working days following a request by an applicant who has been accepted for service by the utility. For the purpose of this subsection, "existing facilities" means customer facilities that are ready and acceptable to the utility, where the utility needs only to install a meter, read a meter, or turn on the service.

(g) If, within the five-day period referred to in (f) of this section, a utility establishes service, during a period other than regular working hours at the customer's request, the utility may impose an after-hours charge for the service connection.

(h) If a utility cannot establish service to new customer facilities within 30 days after it receives an application, it shall, within 15 working days after the date of application, advise the applicant in writing of the reason for the delay, any interim type of service that may be available, and an estimated date when the requested service will be provided. For the purpose of this subsection, "new customer facilities" means customer facilities that require the utility to do more than install or read a meter before service can be provided.

(i) If a utility finds that it is unable to meet a previously scheduled date for establishment of service under (h) of this section, it shall advise the customer in a timely manner of the revised date upon which service will reasonably be available.

(j) A utility may refuse to establish new service only if any of the following conditions exist:

(1) an applicant falsifies any information required by (b) of this section and fails to subsequently correct the falsification with documentation acceptable to the utility;

(2) an applicant has an outstanding amount past due for utility service and has not made arrangements acceptable to the utility for payment of the outstanding balance;

(3) a condition exists or would exist upon establishment of service at the service premises which the utility believes is unsafe or hazardous to an applicant, a member of the public, the utility's personnel or facilities, or the integrity of the utility's energy delivery system;

(4) an applicant does not meet the credit criteria for waiver of deposit requirements under 3 AAC 52.420(c) and fails to provide the utility with a deposit;

(5) an applicant refuses to furnish money, services, equipment, or rights-of-way that have been specified by the utility in its tariff as a necessary condition for providing service; or

(6) an applicant refuses to become a member of an electric cooperative organized under AS 10.25 in an area for which the cooperative has a certificate to serve the applicant. (Eff. 1/1/87, Register 100; am 9/15/88, Register 107)

Authority: AS 42.05.141 AS 42.05.291 AS 42.05.361
AS 42.05.151

Publisher's note: As of Register 181 supplement to correct a typographical error (April 2007), this section is set out in the error as it appears in the main pamphlet.

3 AAC 52.450. Disconnection of service. (a) A utility may disconnect service to a customer without advance written notice under the following conditions:

(1) an immediate hazard exists which threatens the safety or health of the customer or the general population or the utility's personnel or facilities;

(2) the utility has evidence of meter tampering or fraud by the customer; or

(3) a customer has failed to comply with the curtailment procedures imposed by a utility during emergency supply shortages.

(b) A utility may commence disconnection procedures in accordance with the notice requirements of (c) of this section for any of the following reasons:

(1) failure of the customer to pay for utility service within 40 days after initial rendering of the bill unless the customer has entered into a deferred payment agreement;

(2) failure of the customer to meet or maintain the utility's deposit requirements;

(3) knowing and continued failure of the customer to provide the utility with reasonable access to its meter, equipment, or property;

(4) customer breach of a special contract between the utility and customer for utility service; or

(5) necessity of the utility to comply with an order or regulation of any governmental agency with proper jurisdiction.

(c) The following notice requirements apply to service disconnections permissible under (b) of this section:

(1) Except as provided in (2) of this subsection and in (d) of this section, a utility shall, at least 15 days before the scheduled date of disconnection, mail or deliver to the customer a written notice of its intent to disconnect service. A copy of the termination notice must be simultaneously forwarded to any third party designated by the customer on a service application. The notice must contain, at a minimum, the following information:

(A) the name and address of the customer whose service is to be disconnected and the service address, if different;

(B) the date on or after which service will be disconnected unless the customer takes appropriate action;

(C) an explanation of the reason for the proposed disconnection, including, if appropriate, a statement of the amount of the delinquent bill which the customer has failed to pay in accordance with the payment policy of the utility;

(D) if disconnection is premised on payment delinquency,

(i) a statement advising the customer to contact the utility for information regarding deferred payment and other procedures that the utility may offer to avoid disconnection of the customer's service; and

(ii) a list of any governmental or social assistance agencies, of which the utility is aware, that may offer energy assistance to qualified needy customers;

(E) a specific request that if a customer's residence is occupied by a person seriously ill, elderly, with a disability, or dependent on life support systems, the customer should notify the utility immediately of that circumstance for consideration in avoiding disconnection;

(F) a statement advising the customer that the utility's stated reason for the termination of service may be disputed and potentially resolved by contacting the utility at a specific address or telephone number;

(G) a statement that the utility retains the right to terminate service, after allowing a customer who disputes a bill the opportunity for a meeting, if the utility continues to find that the reason for the disconnection is just;

(H) the telephone number and address of the commission and a statement that the customer may file a complaint with the commission under 3 AAC 48.120 or 3 AAC 48.130 if not satisfied with the utility's response or resolution of a contested bill or tariff provision; and

(1) the amount of the utility's tariffed charges for disconnection and reconnection of service.

(2) If a utility has been informed that a residence is occupied by a person seriously ill, elderly, with a disability, or dependent on life support systems, the utility shall provide the notice required by (1) of this subsection at least 30 days before the scheduled date of disconnection. In any case in which a utility is notified after issuance of a termination notice that a customer's residence is occupied by a person seriously ill, elderly, with a disability, or dependent on life support systems, the utility shall extend the disconnection date by 15 days and notify the customer of the extension.

(3) Not less than three working days prior to disconnection, the utility shall attempt personal contact with the customer either by telephone or by visit of an authorized utility representative to the premises. If by telephone, the utility shall attempt to make contact no less than three times at various periods in the day or make other reasonable attempts to contact the customer. A utility shall keep records of all attempted and completed telephone contacts, showing at least the time, the person making the attempt, and the outcome. If by visit to the premises, the utility's authorized representative shall hand-deliver a "Shut-Off Notice" to the customer or, if no personal contact is possible, leave the notice in a prominent place. If the premises is 25 or more miles from the nearest location from which the utility delivers notices and if telephone contact cannot be made, a first class, postage-prepaid letter may serve as an alternative to a hand-delivered "Shut-Off" notice. This notice must be mailed no less than five working days before the date scheduled for disconnection. The "Shut-Off Notice" or completed telephone call must provide the customer with the following information:

(A) the name and address of the customer and the service address, if different;

(B) a concise statement of the reasons for the impending disconnection of service;

(C) the date on or after which service will be disconnected;

(D) the business office telephone number, after-business-hours telephone number if applicable, and the address of the utility where the customer may pay the delinquent bill, enter into a deferred payment agreement, or file a bill dispute complaint; and

(E) the amount of the charges for disconnection and reconnection of service.

(4) If a utility knows that a landlord/tenant relationship exists, the following additional provisions apply:

(A) For individually metered premises where the landlord is the customer, the utility shall notify the tenant in writing, at least 15 days before the scheduled date for disconnection of the service to the landlord, of the option of subscribing for service in the tenant's

own name. However, the utility may not attempt to recover from the tenant or condition service to the tenant on the payment of any outstanding bills or other charges due from the outstanding account of the landlord. If, however, the tenant has a previously outstanding balance at the same service address, the utility may condition service to that tenant on terms acceptable to the utility for repayment of the outstanding balance plus a deposit in compliance with the utility's tariff. If the tenant declines to subscribe for individual service, or arrange for payment of the tenant's outstanding balance, if applicable, the utility may disconnect service without further notice, no earlier than the date scheduled for disconnection.

(B) For master-metered premises where the landlord is the customer, the utility

(i) after the expiration of the notice period provided in (1)—(3) of this subsection, shall additionally provide individual notice of the pending disconnection to each tenant served through the master meter at least 14 days before disconnection or

(ii) at least 15 days before the scheduled date of disconnection of the landlord, shall give each tenant served through the master meter notice of the pending disconnection.

(C) If the tenant is the customer, the utility shall notify the landlord in writing, at least 15 days before the scheduled date of disconnect of the tenant, of the option of subscribing for the service provided at the tenant's premises. However, the utility may not attempt to recover from the landlord or condition service to the landlord on the payment of any outstanding bills or other charges due from the outstanding account of the tenant. If, however, the landlord has a previous outstanding balance at the same service address, the utility may condition service to that landlord on terms acceptable to the utility for repayment of the outstanding balance plus a deposit in compliance with the utility's tariff. If the landlord declines to subscribe for service or arrange for payment of the landlord's outstanding balance, if applicable, the utility may disconnect service without further notice.

(d) At least three working days before disconnection, a utility shall give written or telephone notice of disconnection, in accordance with (c)(3) of this section to a customer who has failed to comply with a deferred payment agreement.

(e) Within 10 days after the date specified on a "Shut-Off Notice", a utility may, without further notice, disconnect service to a customer between the daily business hours of 8:00 a.m. on Monday to 5:00 p.m. on Thursday. Service may not be disconnected on a Friday or a day preceding a holiday.

(f) A utility may not disconnect service to a customer for any of the following reasons:

(1) delinquency in payment for services rendered to a prior customer at the premises where service is being provided, except in the instance where the prior customer continues to reside on the premises;

(2) failure of the customer to pay for services or equipment not regulated by the commission;

(3) nonpayment of a bill related to another class of service at a different service location;

(4) the customer disputes the amount due on the delinquent account, complies with the utility's tariffed rules on customer bill disputes, and the dispute remains under investigation by the utility or by the commission; however, a customer shall pay any undisputed amount, and the utility may proceed to disconnect service in accordance with this section for failure to pay any undisputed amounts; or

(5) the customer is unable to pay the full delinquent amount due, qualifies under the utility's tariffed eligibility requirements for deferred payment agreements, and is in compliance with a signed, or is in the process of timely negotiating a, deferred payment agreement.

(g) A utility may remove any or all of its property installed on a customer's premises upon disconnection of service.

(h) A utility shall restore service within three working days after correction of the conditions that resulted in the disconnection. Correction includes execution of a deferred payment agreement. If service is restored during a period other than regular working hours at the customer's request, the utility may impose an after-hours charge for reconnection.

(i) Each utility shall maintain a record of each disconnection of service, including the reason for the disconnection. This record must be maintained for two years and must be available for commission inspection. (Eff. 1/1/87, Register 100; am 4/10/92, Register 122)

Authority: AS 42.05.141 AS 42.05.151 AS 42.05.291

Editor's note: With Register 179, October 2006 and under the authority of AS 44.62.125, the regulations attorney changed obsolete terminology concerning persons with disabilities in conformity with ch. 25, SLA 2006.

Article 6. Adjustment Clause.

Section
506. Filing requirements for gas utilities

3 AAC 52.506. Filing requirements for gas utilities. (a) A gas utility shall submit each GCA as a tariff filing in compliance with the applicable provisions of 3 AAC 48.200 — 3 AAC 48.380. With its first GCA tariff filing after January 11, 2004, a gas utility must submit a

copy of each gas supply contract required under 3 AAC 52.470(d) — (e), if that contract is not already on file with the commission.

(b) A gas utility may implement a GCA revision that does not include a new methodology or new cost element immediately upon filing with the commission. The GCA filing is subject to subsequent review, adjustment, and approval by the commission.

(c) If a gas utility seeks, outside of a general rate case, to change its GCA methodology or include any new cost element in its GCA, the utility must first obtain the commission's approval. In a separate tariff filing, the utility must identify the proposed change in methodology and any new cost element. A gas utility must justify the proposed change in methodology and show that any new cost element meets the criteria of 3 AAC 52.502(a).

(d) For a GCA filing under (b) of this section, a gas utility is not required to give public notice under AS 42.05.411. However, if a gas utility seeks, outside of a general rate case, a change to its GCA methodology, a change to a GCA cost element, or a change to its GCA that the commission considers to be of significant interest to the public, the commission will require notice to the public in a form that the commission considers sufficient for the particular changes proposed.

(e) With each GCA tariff filing, the gas utility must identify the percentage change in the average cost of gas and explain the reasons for the change.

(f) Within 45 days after the last day of any month in which the absolute value of the cost-of-gas balancing account balance exceeds 10 percent of the gas utility's annual gas costs, the gas utility shall submit a GCA tariff filing.

(g) With each GCA tariff filing, the gas utility must submit the following information to support entries in the cost-of-gas balancing account for the historical period and projections for the future period:

- (1) a copy of each invoice for costs recovered through the GCA;
- (2) a report of gas volumes sold by customer class;
- (3) the GCA calculation;
- (4) documentation in support of projected costs and sales for the future period;
- (5) a calculation of monthly balances in the cost-of-gas balancing account;
- (6) revised tariff sheets;
- (7) other information that the commission considers necessary to explain entries in the cost-of-gas balancing account or to explain the proposed GCA calculation.

(h) The gas utility must submit the information required in (g) of this section on a 3.5-inch diskette or a compact disc, and in an electronic format compatible with the commission's data-processing equipment and software, unless the commission waives this requirement because the gas utility lacks a readily accessible means or the capability to provide items in the required electronic format.

(i) A gas utility may request, or the commission may order, the correction or adjustment of actual entries in the cost-of-gas balancing account for a one-year period. The utility must describe, quantify, and justify each proposed adjustment. Unless the commission orders otherwise, an error must be corrected through an addition or subtraction to the cumulative over- or under-recovery balance. (Eff. 1/11/2004, Register 169)

Authority:	AS 42.05.141	AS 42.05.711	AS 42.45.160
	AS 42.05.151	AS 42.45.110	AS 42.45.170
	AS 42.05.381	AS 42.45.130	

Publisher's note: This section is set out in the supplement to include the history that was missing in the main pamphlet.

Article 7. Criteria for Determination of Power Cost Equalization.

Section 620. Generation efficiency and line loss standards	Section 640. Adjustments to power cost equalization
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3 AAC 52.620. Generation efficiency and line loss standards.

(a) Generation efficiency and line loss standards are established to encourage efficient and economical generation, transmission, and distribution of electricity. The standards represent the minimum acceptable level of performance by a participating electric utility.

(b) A line loss standard of 12 percent applies to all electricity sold, and is measured as all kilowatt-hours generated or purchased, from whatever source, minus kilowatt-hours sold, divided by all kilowatt-hours generated or purchased.

(c) The following generation efficiency standards apply only to the utility's diesel generation, are measured in kilowatt-hours generated per gallon of fuel consumed, and are based on the annual number of kilowatt-hours of diesel generation:

(1) for a utility that uses diesel fuel to generate 80 percent or more of total kilowatt-hours generated, and that generates

(A) less than 100,000 kilowatt-hours annually using diesel fuel, the minimum efficiency standard is 9.5 kilowatt-hours generated per gallon of diesel fuel consumed;

(B) 100,000 - 499,999 kilowatt-hours annually using diesel fuel, the minimum efficiency standard is 10.5 kilowatt-hours generated per gallon of diesel fuel consumed;

(C) 500,000 - 999,999 kilowatt-hours annually using diesel fuel, the minimum efficiency standard is 11.5 kilowatt-hours generated per gallon of diesel fuel consumed;

(D) 1,000,000 - 9,999,999 kilowatt-hours annually using diesel fuel, the minimum efficiency standard is 12.5 kilowatt-hours generated per gallon of diesel fuel consumed; or

(E) 10,000,000 kilowatt-hours or more annually using diesel fuel, the minimum efficiency standard is 13.5 kilowatt-hours generated per gallon of diesel fuel consumed;

(2) for a utility that uses diesel fuel to generate less than 80 percent of total kilowatt-hours generated, and that generates

(A) less than 100,000 kilowatt-hours annually using diesel fuel, the minimum efficiency standard is 8.5 kilowatt-hours generated per gallon of diesel fuel consumed;

(B) 100,000 - 499,999 kilowatt-hours annually using diesel fuel, the minimum efficiency standard is 10 kilowatt-hours generated per gallon of diesel fuel consumed;

(C) 500,000 - 999,999 kilowatt-hours annually using diesel fuel, the minimum efficiency standard is 11 kilowatt-hours generated per gallon of diesel fuel consumed;

(D) 1,000,000 - 9,999,999 kilowatt-hours annually using diesel fuel, the minimum efficiency standard is 12 kilowatt-hours generated per gallon of diesel fuel consumed; or

(E) 10,000,000 kilowatt-hours or more annually using diesel fuel, the minimum efficiency standard is 13 kilowatt-hours generated per gallon of diesel fuel consumed.

(d) In determining the generation efficiency standard for a participating electric utility that provides service to two or more locations by separate generation, transmission, and distribution systems and that charges the same rates and relies on diesel fuel to generate 80 percent or more of total generation at all locations, an average of kilowatt-hours generated will be used. That average is determined by dividing the total kilowatt-hours generated for all locations by the total number of locations. The generation efficiency standard that applies to a utility the size of that average is then applicable to the total system. The same methodology applies to uniform rate, multi-location utilities with locations that rely on diesel fuel to generate less than 80 percent of total generation, except that two separate averages are required, one average for those locations that rely on diesel fuel to generate 80 percent or more of total generation and one for those locations that do not. Separate computations for generation efficiency and line loss standards are also required for the latter group.

(e) A utility that does not meter street lights shall estimate the kilowatt-hours used by unmetered street lights and add those kilowatt-hours to kilowatt-hours sold for the purpose of determining compliance with the generation efficiency and, if appropriate, line loss standards in this section. Nonetheless, actual kilowatt-hours sold shall continue to be used for the purpose of computing power cost equalization per kilowatt-hour. (Eff. 10/28/89, Register 112; am 9/11/2004, Register 171; am 4/28/2005, Register 174)

Authority: AS 42.05.141 AS 42.45.110 AS 42.45.160
AS 42.05.151 AS 42.45.130 AS 42.45.170

3 AAC 52.640. Adjustments to power cost equalization. (a) A regulated participating electric utility shall request a change in its power cost equalization per kilowatt-hour in conjunction with a request for

(1) approval of tariff filing under 3 AAC 52.501 — 3 AAC 52.519;

or

(2) a permanent or interim rate change that establishes higher or lower nonfuel costs for the utility.

(b) A nonregulated participating electric utility shall request a change in its power cost equalization per kilowatt-hour if the utility has

(1) experienced a change in its fuel or purchased power costs; or

(2) changed its rates.

(c) The commission will, in its discretion, adjust the power cost equalization per kilowatt-hour of a participating electric utility based on

(1) a review by the commission or by the Alaska Energy Authority of monthly data submitted by the utility to the Alaska Energy Authority;

(2) a review of the annual filing submitted by the utility;

(3) any other evidence that the power cost equalization per kilowatt-hour of the utility is not just and reasonable; or

(4) a determination by the Alaska Energy Authority that appropriations are insufficient to finance full payments to eligible electric utilities, in which case the power cost equalization per kilowatt-hour of each participating utility will be reduced by an equal percentage.

(d) A regulated participating electric utility shall submit in support of each request for adjustment of its power cost equalization per kilowatt-hour

(1) a tariff advice letter under 3 AAC 48.270;

(2) tariff sheets that show the amount of power cost equalization per eligible kilowatt-hour requested;

(3) a schedule showing the computation of the requested power cost equalization per kilowatt-hour for each rate schedule;

(4) a summary of the data necessary for determination of the power cost equalization per kilowatt-hour; and

(5) documentation of all data submitted under (4) of this subsection, except that in the case of a request for an adjustment of power cost equalization per kilowatt-hour that is in conjunction with a request for a fuel surcharge rate change, the utility shall rely on the nonfuel costs per kilowatt-hour established in its most recent general rate case.

(e) A nonregulated participating electric utility shall submit in support of each request for an adjustment of its power cost equalization level

- (1) a written statement of the power cost equalization per kilowatt-hour requested and the name of the person responsible for providing information in support of the request;

- (2) a copy or summary of all effective rate schedules for each customer class, stating the current charges without power cost equalization;

(3) a schedule showing the computation of the power cost equalization per kilowatt-hour for each rate schedule;

(4) a summary of all data necessary for determination of power cost equalization per kilowatt-hour; and

(5) documentation, including a copy of the most recent fuel bill, of all data submitted under (4) of this subsection, except that in the case of a request for an adjustment of power cost equalization per kilowatt-hour that is in conjunction with a change in fuel or purchased power costs only, the utility shall rely on the nonfuel power costs per kilowatt-hour established in the approval of its most recent power cost equalization change.

(f) A participating electric utility shall file with the commission a periodic fuel or purchased power cost report as follows:

(1) for a regulated participating electric utility, the report required by this subsection is the tariff filing required under 3 AAC 52.501 — 3 AAC 52.519;

(2) for a nonregulated participating electric utility, except as provided in (g) of this section, the report required by this subsection shall be filed on the dates and forms prescribed by the commission based on the historical frequency of a utility's fuel and power purchases and shall include all of the following information or supporting documents:

(A) the name of the utility;

(B) the reporting period;

(C) the weighted average cost per gallon of beginning fuel inventory;

(D) total beginning fuel inventory in gallons and dollars;

(E) for each fuel purchase during the reporting period, the

(i) invoice number;

(ii) delivery date;

(iii) gallons of fuel purchased;

(iv) cost per gallon;

(v) delivery or markup cost per gallon; and

(vi) total cost of the fuel purchase;

(F) total gallons and cost of fuel purchased during the reporting period;

(G) total kilowatt-hours and cost of power purchased during the reporting period;

(H) copies of invoices for each fuel purchase and delivery charges reported for the period;

(I) a schedule showing the calculation of any delivery charge or markup from affiliated fuel suppliers;

(J) copies of invoices for each power purchase in the reporting period.

(g) Notwithstanding (f)(2) of this section, a nonregulated utility with an approved methodology of prescheduled fuel cost reporting on April 28, 2005 may continue to use its approved methodology unless the commission orders otherwise. (Eff. 10/28/89, Register 112; am 5/18/96, Register 138; am 9/11/2004, Register 171; am 4/28/2005, Register 174)

Authority:	AS 42.05.141	AS 42.45.110	AS 42.45.160
	AS 42.05.151	AS 42.45.130	AS 42.45.170

Editor's note: As of Register 151 (October 1999), the functions of the former Department of Community and Regional Affairs were transferred to other state agencies. In accordance with ch. 58, SLA 1999 and AS 44.62.125(b)(6), the regulations attorney revised 3 AAC 52.640(c)(1), as of Register 161 (April 2002), to reflect changes in the names of state agencies.

Article 8. Water and Wastewater Utilities.

Section

710. Certificate of public convenience and necessity

3 AAC 52.710. Certificate of public convenience and necessity. (a) A water or wastewater utility must obtain a certificate of public convenience and necessity before it provides service to 15 or more service connections unless it is exempt from regulation under 3 AAC 52.700 or is qualified for provisional certification under 3 AAC 52.720. A utility that is provisionally certificated under 3 AAC 52.720 — 3 AAC 52.724 must obtain a certificate of public convenience and necessity if it no longer meets the criteria in 3 AAC 52.720 for provisional certification. A utility that is exempt under 3 AAC 52.700 or qualified for provisional certification under 3 AAC 52.720 may apply for a certificate of public convenience and necessity.

(b) Except as provided in (c) of this section, an applicant for a certificate of public convenience and necessity must provide the following information on a form prescribed by the commission:

- (1) the applicant's legal name and the name under which it proposes to do business;
- (2) the address of the applicant's principal national place of business, and, if different, its place of business in this state;
- (3) the name, title, and telephone number of the individual who is available to provide the commission with information about the application;
- (4) the applicant's type of business structure, including
 - (A) proof of incorporation, registration, or certification, if applicable; and

(B) the name and address of the applicant's registered agent, if applicable;

(5) the names, titles, responsibilities, and qualifications of key management the applicant employs or will employ, including the individuals responsible for the oversight of its financial and technical staff;

(6) a statement explaining why the public convenience and necessity requires the utility service the applicant will provide;

(7) the name of any other utility providing similar service in, or within one mile of, the area the applicant proposes to serve;

(8) the number and type of customers the applicant expects to serve, by geographic location;

(9) for an existing system, a copy of the approval from the Department of Environmental Conservation to operate a domestic wastewater system under 18 AAC 72.240 or to operate a public water system under 18 AAC 80.210, as applicable; if the applicant has not yet obtained operating approval, the applicant must file a schedule agreed to by the Department of Environmental Conservation to complete that department's technical requirements for all utility plant that is under construction;

(10) for a water utility, a description of each source of water for the proposed service area, including

(A) the quantity available;

(B) pumping capacity for each source;

(C) reservoir capacity,

(D) the available reserve capacity, in hours, in case of power outages or well failure; and

(E) information regarding the treatment necessary to bring the water into compliance with 18 AAC 80;

(11) for a wastewater utility,

(A) a description of the collection system and treatment facilities;

(B) information regarding the treatment necessary to bring the discharge into compliance with 18 AAC 70 and 18 AAC 72, and the method of disposal of treated effluent for the proposed service area; and

(C) information on the receiving environment into which the effluent will be discharged;

(12) documentation that the applicant complies with the Department of Environmental Conservation's operator certification requirements at 18 AAC 74.010; if the applicant is not in compliance with the operator certification requirements, the applicant must file a schedule to come into compliance with those requirements;

(13) a statement confirming that a water meter is installed, calibrated, and working at the entrance to the distribution system;

(14) a written description and a map of the utility's proposed service area;

(15) a tariff of rates and services that complies with 3 AAC 48.320 — 3 AAC 48.390 if the utility will be subject to economic regulations within the meaning of 3 AAC 48.820, or that complies with 3 AAC 52.730 — 3 AAC 52.740 if the utility will not be subject to economic regulations within the meaning of 3 AAC 48.820;

(16) pro forma financial schedules showing the calculation of the rate base for the utility using the appropriate uniform standard of accounts applicable under 3 AAC 48.277 to the utility;

(17) an income statement and balance sheet for the most recent fiscal year for existing systems; an actual income statement and balance sheet from the owner of the utility may be substituted for a new water or wastewater utility that has not begun providing service or that has not completed a full fiscal year of service;

(18) information on the sources of financing for the utility, including grants and loans;

(19) a verification signed by the person authorized to sign on behalf of the applicant that all of the information provided in the application is true, accurate, and complete;

(20) additional filings as required by the commission to explain or supplement the information filed under this subsection.

(c) An applicant that has previously obtained a finding of public convenience and necessity under 3 AAC 52.715 is not required to re-submit information required under (b) of this section unless the information is not currently correct.

(d) The commission will determine if an application for a certificate of public convenience and necessity is complete within 15 business days after the receipt of an application. An incomplete application will be handled as provided in 3 AAC 48.650.

(e) The commission will give notice of an application for a certificate of public convenience and necessity as provided in 3 AAC 48.645(a).

(f) If the commission denies an application, the utility may request a hearing as provided in AS 42.05.171. (Eff. 6/19/2004, Register 170)

Authority: AS 42.05.141 AS 42.05.221 AS 42.05.241
AS 42.05.151

Editor's note: As of Register 178 (July 2006), the regulations attorney made technical revisions under AS 44.62.125(b)(6), to 3 AAC 52.710(e) and (f).

Chapter 53. Telecommunications.

Article

4. Local Exchange Competition (3 AAC 53.200 — 3 AAC 53.299)
5. Universal Service Fund (3 AAC 53.300 — 3 AAC 53.399)
10. Criteria for the Provision of Private Pay Telephone Service (3 AAC 53.800 — 3 AAC 53.899)

Publisher's note: As of Register 163 (October 2002), new Article 2 was added and former Articles 2 — 10 were renumbered as present Articles 3 — 11.

Article 4. Local Exchange Competition.

Section

200. Applicability of local exchange competition provisions, purpose, and waiver
205. Competitive local exchange markets
210. Local exchange telephone service: certificate of public convenience and necessity
220. Determination of dominant or nondominant carrier status
230. Discontinuance, suspension, or abandonment of service

Section

240. Retail services for which there is a dominant carrier
243. Retail services for which there is no dominant carrier
245. Competitive entry rate modification
250. Wholesale service and rates
290. Miscellaneous provisions
295. Bundled services
299. Definitions

3 AAC 53.200. Applicability of local exchange competition provisions, purpose, and waiver. (a) The provisions of 3 AAC 53.200 — 3 AAC 53.299 apply to all local exchange carriers that furnish local exchange telephone service within a competitive local exchange market as designated under 3 AAC 53.205. The provisions of 3 AAC 53.210, 3 AAC 53.245, 3 AAC 53.290(a)(3), and 3 AAC 53.220(d) apply in noncompetitive areas also.

(b) The purpose of 3 AAC 53.200 — 3 AAC 53.299 is to allow competition in providing local exchange telephone service to the extent possible while maintaining and promoting universal local exchange telephone service, fair treatment of competitors and consumers, and a modern telecommunications infrastructure.

(c) For good cause shown, the commission will, in its discretion, waive the application of all or any portion of 3 AAC 53.200 — 3 AAC 53.299 to a local exchange carrier and establish appropriate criteria for that carrier.

(d) The provisions of 3 AAC 53.220, 3 AAC 53.240, 3 AAC 53.243, 3 AAC 53.245, 3 AAC 53.290(b), 3 AAC 53.290(f), and 3 AAC 53.290(h) do not apply to a local exchange carrier exempt from regulation under AS 42.05.711. (Eff. 6/21/98, Register 146; am 9/16/2005, Register 175)

Authority: AS 42.05.141 AS 42.05.221 AS 42.05.990
 AS 42.05.151 AS 42.05.711

3 AAC 53.205. Competitive local exchange markets. For purposes of 3 AAC 53.200 — 3 AAC 53.299, a competitive local exchange market is, as designated by an order of the commission, a local exchange or a group of local exchanges within one certificated service area where multiple unaffiliated telecommunications providers are certificated to provide local exchange service. However, upon petition or on its own motion, the commission by order may designate an area as a competitive local exchange market or a noncompetitive area based on the nature and extent of competition available, including competition by a competitor that is not certificated. (Eff. 9/16/2005, Register 175)

Authority: AS 42.05.141 AS 42.05.151 AS 42.05.800
 AS 42.05.145 AS 42.05.291

3 AAC 53.210. Local exchange telephone service: certificate of public convenience and necessity. (a) In competitive local exchange markets and in noncompetitive areas, an entity proposing to provide local exchange telephone service in competition with an existing local exchange carrier must file an application for a certificate of public convenience and necessity that includes

(1) the legal name and the name under which the applicant proposes to do business;

(2) the address of the principal national and Alaskan place of business;

(3) the name, title, and telephone number of the individual who is the liaison with the commission in regard to the application;

(4) the applicant's business structure (corporation, partnership, etc.), including proof of incorporation and name and address of registered agent, if applicable;

(5) proof of authority to do business in Alaska;

(6) a list of the owners of five percent or more of the applicant's equity;

(7) a list of persons or entities that are affiliated interests of the applicant;

(8) a list of all administrative and judicial proceedings that resulted in

(A) suspension, revocation, or denial of the authority, license, or certification of the applicant or its officers, directors, or affiliates to provide utility services;

(B) a reprimand, penalty, or conviction of an applicant or its officers, directors, or affiliates related to operations, gross misrepresentations, fraudulent transactions, or securities violations; or

(C) an adjudication of bankruptcy or a reorganization in bankruptcy of applicant or its officers, directors, or affiliates;

(9) a list of all cases and locations in which the applicant, its officers, directors, or affiliates, has abandoned service in violation of applicable statutes, regulations, or orders;

(10) a list of the names, titles, and responsibilities of key management now employed or to be employed by the applicant and resumes for each person;

(11) for existing businesses, copies of the most recent year's balance sheet and income statement or Federal Communications Commission Form M and, if available, Securities and Exchange Commission Form 10-K;

(12) for new businesses, copies of the most recent year's balance sheet and income statement for the owners of the business listed under (6) of this subsection;

(13) a list of all services proposed, together with an explanation of the applicant's technical ability to provide the proposed services;

(14) a description of the area within which the entity proposes to provide local exchange service;

(15) a description of all existing facilities that will be used to provide local exchange telephone service;

(16) a description of all agreements or negotiations with other utilities for joint use and interconnection of facilities;

(17) a tariff of rates and services; and

(18) a verification signed by the person authorized to sign on behalf of the applicant that all of the information provided in the application is true, accurate, and complete.

(b) The commission will give notice of an application for a certificate of public convenience and necessity to provide local exchange telephone service in accordance with 3 AAC 48.645(a).

(c) The commission will issue a certificate of public convenience and necessity to an entity that proposes to provide local exchange telephone service under 3 AAC 53.200 — 3 AAC 53.299 and that is found by the commission to be fit, willing, and able to provide the proposed service.

(d) The commission will, in its discretion, place conditions on a certificate of public convenience and necessity that it considers appropriate, including a condition that the local exchange carrier post a bond to assure compliance with commission rules. (Eff. 6/21/98, Register 146; am 9/16/2005, Register 175)

Authority: AS 42.05.141
AS 42.05.151

AS 42.05.221
AS 42.05.241

AS 42.05.711
AS 42.05.990

3 AAC 53.220. Determination of dominant or nondominant carrier status. (a) A local exchange carrier is a dominant carrier for retail service in an exchange unless the commission orders, upon a petition or on its own motion, that the carrier is nondominant in an exchange

(1) served by a rural telephone company, as defined by 47 U.S.C. 153(37) and where a second unaffiliated certificated facilities-based local exchange carrier offers service to the public;

(2) where the local exchange carrier's and its combined affiliates' local exchange market share in the exchange is 60 percent or less; or

(3) where at least two unaffiliated local exchange carriers

(A) are eligible telecommunications carriers; and

(B) each individually have a market share of 20 percent or more in that exchange.

(b) For purposes of (a) of this section, market share is measured by the carrier's percentage of customer connections.

(c) Notwithstanding (a) of this section, a local exchange carrier that owns the only facilities used to provide local exchange service to the majority of customers in a competitive local exchange market is a dominant carrier with regard to the following services provided in that area unless the commission determines otherwise as a result of an investigation or review under (e) or (f) of this section:

(1) line extension services;

(2) construction services;

(3) subdivision services agreements;

(4) interexchange carrier access services, including special access services.

(d) Notwithstanding (a) of this section, during or after the commission's review of a competitor's application for certification or during the commission's review of a competitor's application for eligible telecommunications carrier designation, a carrier or an affected person may petition for review of any carrier's dominant or nondominant carrier status.

(e) Notwithstanding any other provisions of this section, the commission may, after investigation, determine a carrier to be a dominant or nondominant carrier for the provision of a service or group of services.

(f) In conducting a review of an incumbent local exchange carrier's status as a dominant carrier in response to a petition filed under (d) of this section or in response to any other petition for a change in status, the commission will determine whether a local exchange carrier will be unfairly competitively disadvantaged with respect to a service or group of services by considering the following factors:

(1) the market share of the carrier and the competitive entrants, as measured in a manner relevant to the service for which nondominant carrier status is requested;

(2) the number, size, nature, and capabilities of competing carriers;

(3) the existence and nature of barriers to entry in competition for the service;

(4) the availability of reasonably substitutable service;

- (5) the availability of alternative competitive facilities;
- (6) the existence of safeguards to restrain the exercise of market power;
- (7) the number of the carrier's customers transferred to a competitor;
- (8) the number of customers projected to be lost to a competitor in the next 12 months after the date the petition is filed; and
- (9) other factors relevant to determining whether the carrier will be unfairly competitively disadvantaged, including the existence or absence of consumer complaints related to the service.

(g) A local exchange carrier holding dominant carrier status as of September 16, 2005 shall retain dominant carrier status until the carrier's status is changed by an order of the commission. A local exchange carrier holding nondominant carrier status as of September 16, 2005 shall retain nondominant carrier status until the carrier's status is changed by an order of the commission.

(h) Upon designation of a competitive local exchange market, a local exchange carrier owning the only facilities providing local exchange service to the majority of customers in the newly designated competitive local exchange market is a dominant carrier for services provided to that area, and all other local exchange carriers serving that area are nondominant carriers until otherwise ordered by the commission. (Eff. 6/21/98, Register 146; am 9/16/2005, Register 175)

Authority: AS 42.05.141 AS 42.05.221 AS 42.05.990
 AS 42.05.151 AS 42.05.711

3 AAC 53.230. Discontinuance, suspension, or abandonment of service. (a) A local exchange carrier may discontinue, suspend, or abandon a local exchange telephone service at a location with commission approval under AS 42.05.261.

(b) A local exchange carrier proposing to discontinue, suspend, or abandon service under (a) of this section must file a plan for the transfer of its customers to another carrier. The plan must be filed with the commission at the same time the carrier files its application to discontinue, suspend, or abandon local exchange telephone service. (Eff. 6/21/98, Register 146; am 9/16/2005, Register 175)

Authority: AS 42.05.141 AS 42.05.221 AS 42.05.711
 AS 42.05.151 AS 42.05.241 AS 42.05.990

3 AAC 53.240. Retail services for which there is a dominant carrier. (a) The provisions of (b) - (d) of this section apply to all retail services in a competitive local exchange market that are not subject to 3 AAC 53.243.

(b) A nondominant carrier shall maintain a current tariff of retail rates and all special contracts for retail rates on file with the commis-

sion. A nondominant carrier may modify retail rates and implement special contracts for retail services without approval of the commission after 30 days' notice to the commission of a tariff filing submitted in accordance with 3 AAC 48.220, 3 AAC 48.240, 3 AAC 48.270, and 3 AAC 53.290(f).

(c) A dominant carrier shall maintain a current tariff of retail rates and all special contracts for retail rates on file with the commission. A dominant carrier may reduce retail rates, offer new or re-packaged services, and implement special contracts for retail services without approval of the commission after 30 days' notice to the commission of a tariff filing submitted in accordance with 3 AAC 48.220, 3 AAC 48.240, 3 AAC 48.270, and 3 AAC 53.290(f). A tariff revision by a dominant carrier to increase a rate is subject to the provisions of 3 AAC 48.200 — 3 AAC 48.430.

(d) Notwithstanding (b) or (c) of this section, the commission will deny and require modification of rates or terms or conditions of service that

- (1) are not just and reasonable;
- (2) grant a customer an unreasonable preference or advantage; or
- (3) subject a customer to an unreasonable prejudice or disadvantage. (Eff. 6/21/98, Register 146; am 9/16/2005, Register 175)

Authority:	AS 42.05.141	AS 42.05.241	AS 42.05.711
	AS 42.05.151	AS 42.05.431	AS 42.05.990
	AS 42.05.221		

3 AAC 53.243. Retail services for which there is no dominant carrier. (a) This section applies to retail services other than retail services specified in 3 AAC 53.220(c) or provided for under 3 AAC 53.220(e) if there is no local exchange carrier in the competitive local exchange market with dominant carrier status for the services.

(b) A nondominant carrier shall maintain a current tariff of retail rates and all special contracts for retail rates at the carrier's primary business office and shall provide a summary of the current tariff and the special contracts on the carrier's web site. The carrier must notify the commission of the Internet address, including any changes to the address.

(c) Without approval of the commission, and after compliance with the requirements of (d) and (e) of this section, a local exchange carrier may implement,

- (1) from September 16, 2005 through June 30, 2010, rate changes that do not involve a proposed increase to a carrier's residential or single-line business basic line charges of more than eight percent in the calendar year;
- (2) after June 30, 2010, retail rate changes for local exchange services;
- (3) new and repackaged services; and

(4) a bundled service that includes a local exchange service component unless the bundled service also includes a discounted intrastate interexchange component.

(d) In connection with any changes to the services offered by a carrier under (c) of this section, the carrier shall, before offering the service,

(1) post a notice summarizing the new or changed offer on the carrier's web site before offering the service, with the notice remaining on the carrier's web site for at least 30 days after the service change is implemented;

(2) file with the commission an informational filing that includes a copy of the tariff sheets and a letter identifying

(A) existing rates for the service, if applicable;

(B) proposed rates for the service; and

(C) a summary of all rate changes, including the percentage increase or decrease to the rate, for that service during that calendar year;

(3) submit by electronic mail, an electronic version of any revised tariff sheets and cover letter to any consumer that requests electronic mail notification from the carrier.

(e) A tariff revision that does not comply with the requirements of (c) of this section must be submitted under 3 AAC 53.240.

(f) The provisions of 3 AAC 48.220(c) do not apply to special contracts for services where there is no dominant carrier. Unless a petition for confidential treatment is filed under 3 AAC 48.045, a local exchange carrier may implement a special contract without approval of the commission by

(1) posting on the carrier's web site a summary of the services offered, a list of the parties to the special contract, and a statement that the special contract is available for inspection at the commission's office; and

(2) filing with the commission

(A) a cover letter referencing that the informational filing is submitted under 3 AAC 53.243;

(B) an update of the carrier's list of special contracts; and

(C) a complete copy of the new special contract.

(g) A special contract that does not comply with the requirements of (f) of this section or includes a service for which there is a dominant carrier must be submitted under 3 AAC 53.240.

(h) The commission will deny and require modification of rates or terms or conditions of service that

(1) grant a customer an unreasonable preference or advantage; or

(2) subject a customer to an unreasonable prejudice or disadvantage. (Eff. 9/16/2005, Register 175)

Authority: AS 42.05.141 AS 42.05.241 AS 42.05.711
AS 42.05.151 AS 42.05.431 AS 42.05.990
AS 42.05.221

3 AAC 53.245. Competitive entry rate modification. (a) An incumbent local exchange carrier may petition the commission to modify its existing retail local exchange rates to establish new rates for the noncompetitive area if the carrier

(1) is a rural telephone company as defined in 47 U.S.C. 153(37); and

(2) demonstrates that a competitor may enter the incumbent local exchange carrier's service area.

(b) An incumbent local exchange carrier that is not a rural telephone company as defined in 47 U.S.C. 153(37), or that cannot make the demonstration required by (a)(2) of this section, may petition the commission for approval to use the provisions of (d) — (h) of this section to propose modifications of the carrier's existing retail local exchange rates for the noncompetitive areas. The carrier must obtain approval of its petition before filing a rate modification proposal under this section. The commission may grant a petition filed under this subsection if the carrier demonstrates that using the provisions of (d) — (h) of this section is in the public interest.

(c) A petition for permanent rate modification, filed under this section by an incumbent local exchange carrier, and as approved by the commission, becomes effective only upon approval of the competitor's application for certification or eligible telecommunications carrier designation in the incumbent local carrier's service area.

(d) A petition for a rate modification filed under this section must also be filed in accordance with 3 AAC 48.270, and must include the following:

(1) a reference to this section and a description of the service or group of services that are or may become competitive in one or more portions of the incumbent carrier's service area and, if applicable, the docket number of the competitor's application proceeding;

(2) a study in support of the rate modification; the study must be based on

(A) the incumbent carrier's most recent revenue requirement study or cost-of-service and rate design study, including demand levels from the test year if the revenue requirement study or cost-of-service and rate design study was approved within the previous three years;

(B) a new revenue requirement developed under 3 AAC 48.275; or

(C) on a revenue requirement developed under 3 AAC 53.010 — 3 AAC 53.140;

(3) a detailed description and an explanation of the method used to determine the revenue requirement, demand, and rates proposed for each exchange including

(A) all accounts or subaccounts and the amounts that are directly assigned to each exchange;

(B) all accounts or subaccounts and the amounts that are allocated among the exchanges, together with a description of the allocation methodology and the basis for the factors used; and

(C) an analysis demonstrating that the sum of the revenue requirements for the exchanges in noncompetitive areas plus the exchanges in competitive local exchange markets equals

(i) the total company local revenue requirement approved by the commission within the three previous years; or

(ii) a local revenue requirement developed under either 3 AAC 48.275 or 3 AAC 53.010 — 3 AAC 53.140;

(4) a copy of the carrier's federal universal service fund disaggregation plan filing under 47 C.F.R. 54.315;

(5) an explanation of how the cost allocations and universal service fund assignments used in the proposed rate modification are consistent with or different from the cost allocations and universal service fund assignments from the carrier's federal universal service fund disaggregation plan filing;

(6) supporting data and reasons why the cost differences by exchange cannot or should not be addressed through the current or an amended federal universal service fund disaggregation plan filing;

(7) a description of the operating revenues by exchange based on billing records from the test year used to develop the revenue requirement;

(8) a description of the methodology used to allocate all operating revenues that are not specifically related to an exchange;

(9) existing rates for discretionary services and non-recurring charges;

(10) a cost allocation manual, developed consistent with the cost allocation principles of 47 C.F.R. 64.901, as revised as of October 1, 2004 and adopted by reference, with costs for competitive local exchange markets treated like nonregulated costs; the cost allocation manual must specify how the incumbent local exchange carrier will separate nonregulated costs and costs for competitive local exchange markets from regulated costs for noncompetitive areas; the cost allocation manual must remain in effect until completion of the carrier's next general rate case or until otherwise ordered by the commission; however, if an incumbent local exchange carrier received approval under (b) of this section to use the provisions of (d) — (h) of this section to propose modifications to the carrier's existing retail local exchange rates, the carrier is not required to file a cost allocation manual under this paragraph.

(e) A petition for a rate modification filed under this section may include

(1) deaveraged rates for private line services based on differences in cost between exchanges; and

(2) a differential between basic residential rates and business rates within the same exchange area with a detailed explanation and a justification for any change in the differential between basic residential rates and business rates.

(f) A local exchange carrier may petition the commission to implement, on an interim and refundable basis, its rate modification proposal in the noncompetitive areas

(1) on the date a competitor is granted a certificate of public convenience and necessity;

(2) when a competitor is designated as an eligible telecommunications carrier in the local exchange carrier's service area; or

(3) on the date a competitor offers services to a customer for compensation, if

(A) a complete petition for rate modification is filed with the commission; and

(B) the commission has not previously approved or denied the petition to modify rates.

(g) Any information required under (d) of this section may also be filed in the docket relating to the competitor's application for certification or for eligible telecommunications carrier designation to aid in the commission's consideration of the application.

(h) Upon petition, or on its own motion, for good cause, the commission may delay or advance the implementation of a rate modification proposal that is the subject of a petition under (f) of this section.

(i) In this section, "general rate case" means a proceeding, initiated by a filing with supporting information described in 3 AAC 48.275, in which the commission reviews the local exchange carrier's costs and revenues to establish rates (Eff. 9/16/2005, Register 175)

Authority: AS 42.05.141 AS 42.05.381 AS 42.05.421
AS 42.05.151

3 AAC 53.250. Wholesale service and rates. (a) A local exchange carrier shall offer all its services for resale to other carriers consistent with 47 U.S.C. 251 and 252 (Telecommunications Act of 1996).

(b) Repealed 9/16/2005. (Eff. 6/21/98, Register 146; am 9/16/2005, Register 175)

Authority: AS 42.05.141 AS 42.05.241 AS 42.05.711
AS 42.05.151 AS 42.05.431 AS 42.05.990
AS 42.05.221

3 AAC 53.290. Miscellaneous provisions. (a) Except as provided in 3 AAC 48.440 and the *Alaska Intrastate Interexchange Access*

Charge Manual, adopted by reference in 3 AAC 48.440, the provisions of

(1) 3 AAC 48.275 do not apply to those services for which the carrier is a nondominant carrier;

(2) 3 AAC 48.230 do not apply to a local exchange carrier; however, the commission may require changes to a local exchange carrier's billing and contract form if that form is confusing or misleading to customers or is contrary to the public interest; and

(3) 3 AAC 48.277 and 3 AAC 48.430

(A) do not apply to a local exchange carrier

(i) after its application for certification to provide local exchange telephone service in competition to an existing local exchange carrier is granted; or

(ii) for services in an area designated by the commission as a competitive local exchange market; and

(B) apply, notwithstanding (A) of this paragraph, to a local exchange carrier whose

(i) costs are used as the basis for determining intrastate access charge rate caps; or

(ii) costs or rates are used as the basis for determining state universal service support under 3 AAC 53.300 — 3 AAC 53.399, excluding the lifeline program.

(b) The provisions of 3 AAC 48.275(a) do not apply to the dominant carrier for rate decreases, new services, and repackaging of existing services.

(c) The incumbent local exchange carrier is the carrier of last resort unless the commission by order changes the carrier's responsibilities under this subsection. Upon petition or on its own motion and after an opportunity for a hearing, the commission may reassign carrier of last resort responsibilities, in whole or in part, to one or more facilities-based local exchange carriers.

(d) The provisions of 3 AAC 53.190 govern the reassignment of a subscriber's access line or lines to a different local exchange carrier.

(e) No implicit modification or waiver of any statutory or regulatory requirements is intended by 3 AAC 53.200 — 3 AAC 53.299 for either dominant or nondominant carriers. Absent specific modification or waiver, all statutory and regulatory requirements remain in effect for both dominant and nondominant carriers.

(f) Unless otherwise provided in 3 AAC 53.243, a local exchange carrier shall publish a public notice of all proposed tariff revisions in a local, general circulation newspaper no later than three days after filing it with the commission. The public notice must contain a general description of the filing that is accurate, written in plain English, and sufficient to alert consumers of tariff revisions that may affect either the rules or rates applicable to them. The notice must include sentences containing the following information: the date the utility made

or will make its filing with the commission; the date the revisions are expected to become effective; and a statement that both the proposed revisions and the utility's current tariff are available for review at the utility's office for which an address and office hours are provided. The notice must contain sentences similar to the following: "Any person may file comments on this tariff revision with the Regulatory Commission of Alaska (address). To assure that the commission has sufficient time to consider the comments before the revisions take effect, (utility name) suggests that you file comments no later than (a specific date, not a weekend or holiday, approximately 7-10 days before the filing takes effect)."

(g) Where all necessary facilities and equipment are in place, a local exchange carrier shall complete the transfer of a customer to another local exchange carrier within seven working days of receiving a valid order for transfer of service.

(h) The provision of 3 AAC 48.270(a) that requires the filing of the estimated number of customers or shippers who will be affected by each separate schedule listed and the estimated annual revenues under both the existing and proposed rates does not apply to a retail service offering of a local exchange carrier unless the carrier proposes to discontinue or increase the rates for a service. However, the commission may require a local exchange carrier filing a tariff under 3 AAC 53.240 to provide that information after the carrier submits its tariff proposal.

(i) On or before March 31 of each year, a local exchange carrier shall file a financial report of the carrier's operations in the state for the previous calendar year. The carrier's out-of-state operations must be excluded from the financial report. The carrier's financial report must include the following detailed information regarding its local exchange operations:

- (1) gross revenue;
- (2) sale for resale revenue;
- (3) access charge revenue;
- (4) billing and collection revenue; and
- (5) directory assistance revenue.

(j) If the commission, by order, finds that an exchange is no longer served by multiple certificated facilities-based local exchange carriers, the remaining certificated facilities-based local exchange carrier shall be a dominant carrier for all retail services and shall also be the carrier of last resort. The provisions of 3 AAC 48.230, 3 AAC 48.275, 3 AAC 48.277, and 3 AAC 48.430 apply to the remaining certificated facilities-based local exchange carrier. The provisions of 3 AAC 53.240 and 3 AAC 53.243 no longer apply to the remaining certificated facilities-based local exchange carrier. The commission will determine, upon petition or on its own motion, whether the exchange remains a competitive local exchange market. (Eff. 6/21/98, Register 146; am

11/11/2001, Register 160; am 4/24/2004, Register 170; am 9/16/2005, Register 175)

Authority: AS 42.05.141 AS 42.05.221 AS 42.05.711
AS 42.05.151 AS 42.05.241 AS 42.05.990

3 AAC 53.295. Bundled services. (a) A local exchange carrier that offers service in a competitive local exchange market may bundle services subject to the limitations stated in (b) and (c) of this section.

(b) A local exchange carrier that offers a bundled service shall, in its tariff provision describing the bundled service offering and in the public notice of any proposed bundled service tariff provision, separately identify the rates for local or intrastate interexchange services included in the bundle. Any intrastate interexchange service included in the bundle must be offered on a statewide basis at the rate specified in the tariff.

(c) A local exchange carrier that offers a bundled service shall offer retail customers the alternative of purchasing local exchange service on a stand-alone basis at the carrier's tariffed rate

(d) Repealed 9/16/2005. (Eff. 8/27/2004, Register 171; am 9/16/2005, Register 175)

Authority: AS 42.05.141 AS 42.05.151 AS 42.05.800
AS 42.05.145 AS 42.05.291

3 AAC 53.299. Definitions. Unless the context indicates otherwise, in 3 AAC 53.200 — 3 AAC 53.299,

- (1) repealed 9/16/2005;
- (2) "commission" means the Regulatory Commission of Alaska;
- (3) "dominant carrier" means a local exchange carrier that the commission designates under 3 AAC 53.220 as a dominant carrier for a service;
- (4) "incumbent carrier" means the telephone utility, or its successor, certificated to provide local exchange telephone service within its service area as of February 8, 1996;
- (5) "interexchange carrier" means a carrier certificated by the commission to provide intrastate interexchange telephone service;
- (6) "local exchange carrier" means a local exchange telephone utility certificated to provide local exchange telephone service;
- (7) "nondominant carrier" means a local exchange carrier other than a dominant carrier;
- (8) "recorded authorization" means a voice communication that clearly grants the authority to transfer a customer's local exchange service from one local exchange carrier to another and that may be accurately retrieved for later review;
- (9) "bundled service" means an offering combining two or more services, one of which is local service, for a package price that may

include a discount or some other benefit; "bundled service" does not include a combination of local service offerings at a package price;

(10) "affiliate" has the meaning given "affiliated interest" in AS 42.05.990;

(11) "control" by a carrier refers to the ability of the carrier or its affiliate to direct the use of facilities regardless of whether the carrier directly owns the facilities;

(12) "customer connection" means any connection used to provide local exchange service; "customer connection"

(A) includes

(i) a line sold to another carrier that uses the line to provide service to a residential or business customer through total service resale; and

(ii) each voice line equivalent, if a line is used to provide multiple communication channels to a residential or business customer and is weighted based on the line's voice line equivalent weighting used by a carrier for network access fees; and

(B) does not include lines sold as unbundled network element loops;

(13) "eligible telecommunications carrier" is a carrier that is designated as an eligible telecommunications carrier by the commission under 47 U.S.C. 214(e);

(14) "exchange" or "local exchange" has the meaning given in 3 AAC 48.820;

(15) "noncompetitive areas" means one or more areas that are not designated as a competitive local exchange market;

(16) "unaffiliated" means not an affiliate. (Eff. 6/21/98, Register 146; am 4/24/2004, Register 170; am 8/27/2004, Register 171; am 9/16/2005, Register 175)

Authority: AS 42.05.141 AS 42.05.151 AS 42.05.800
AS 42.05.145 AS 42.05.291 AS 42.05.990

Article 5. Universal Service Fund.

Section

390. Lifeline and link up eligibility
399. Definitions

3 AAC 53.390. Lifeline and link up eligibility. (a) An eligible telecommunications carrier shall use (b) of this section to identify customers eligible to participate in the lifeline and link up programs.

(b) A customer is eligible to participate in the lifeline and link up programs if the customer

(1) lives in a household with income at or below 135 percent of the applicable federal poverty guidelines for this state, as established by the United States Department of Health and Human Services, except that for purposes of this section, where the term "family unit"

appears in the federal poverty guidelines, "family unit" has the meaning given "household" in (k) of this section;

(2) receives benefits under

(A) 42 U.S.C. 1396 - 1396v or AS 47.07 (Medicaid);

(B) 7 U.S.C. 2011 - 2036 or AS 47.25.975 — 47.25.990 (Food Stamp Program);

(C) 42 U.S.C. 1382 - 1382j (Supplemental Security Income Program);

(D) 42 U.S.C. 1437f (Federal Public Housing Assistance Program);

(E) 42 U.S.C. 8621 - 8629 or 7 AAC 44 (Low-Income Home Energy Assistance Program (LIHEAP));

(F) 25 U.S.C. 1 - 17 (Bureau of Indian Affairs General Assistance Program);

(G) 42 U.S.C. 601 - 619 (Temporary Assistance for Needy Families (TANF));

(H) 42 U.S.C. 9831 - 9852 (Head Start Program), and meets the low-income criteria prescribed under 42 U.S.C. 9840;

(I) 42 U.S.C. 1758(b) (National School Lunch Program) for free lunches;

(J) AS 47.27 (Alaska Temporary Assistance Program (ATAP));
or

(K) AS 47.25 (Alaska Adult Public Assistance Program); or

(3) receives benefits under another social services assistance program that

(A) uses an income-based means test to determine eligibility for benefits;

(B) is administered by the state or federal government;

(C) an eligible telecommunications carrier has identified as a program in which a customer's participation makes that customer eligible for lifeline and linkup services offered by that carrier; a program is identified under this subparagraph if the eligible telecommunications carrier has submitted the identification through an amendment to the carrier's current tariff or by letter if the carrier does not have a current tariff; and

(D) the commission has approved through review of a filing under (C) of this paragraph.

(c) An eligible telecommunications carrier shall require a customer eligible under (b)(1) of this section to sign a document

(1) certifying under penalty of perjury the number of individuals in the customer's household and the customer's household income; and

(2) agreeing to notify the eligible telecommunications carrier when the customer's household income exceeds the 135-percent threshold under (b)(1) of this section.

(d) An eligible telecommunications carrier shall require a customer eligible under (b)(2) or (3) of this section to sign a document

(1) certifying under penalty of perjury that the customer is receiving benefits from at least one of the programs listed in (b)(2) or (3) of this section;

(2) identifying one or more of the programs under (b)(2) or (3) of this section from which the customer is receiving benefits; and

(3) agreeing to notify the eligible telecommunications carrier when the customer no longer receives benefits from any program that the customer identified in (2) of this subsection.

(e) When certifying a customer's initial eligibility under (b)(1) of this section, an eligible telecommunications carrier shall require the customer to provide documentation of income in the form of

(1) a previous year's state or federal tax return;

(2) a current income statement from an employer or paycheck stub;

(3) a statement of benefits from the United States Social Security Administration;

(4) a statement of benefits from the United States Department of Veterans Affairs;

(5) a retirement or pension statement of benefits;

(6) an unemployment or workers' compensation statement of benefits;

(7) a federal or tribal notice letter of participation in general assistance;

(8) a divorce decree or child support document; or

(9) any other official document issued by a provider of income to document that income.

(f) If the documentation provided under (e) of this section does not cover a full year, the documentation must cover at least three consecutive months in the current calendar year.

(g) An eligible telecommunications carrier shall select annually a random sample of lifeline customers and verify that those customers remain eligible for lifeline service. However, if a specific customer is selected in a sample more than once within a three-year period, the eligible telecommunications provider is not required to re-verify that customer's continued eligibility within that period. To verify a customer's continued eligibility for lifeline service, the eligible telecommunications carrier may

(1) accept from the customer a self-certification under (c) or (d) of this section, as applicable; or

(2) require the customer to provide written documentation of continued eligibility; the eligible telecommunications carrier may require documentation under this paragraph regardless of whether the customer

(A) previously provided documentation under (e) of this section;
or

(B) initially applied under (b)(2) or (3) of this section.

(h) An eligible telecommunications carrier shall retain a customer's self-certification under (c), (d), or (g)(1) of this section for as long as the customer receives lifeline service from the carrier. However, an eligible telecommunications carrier is not required to retain any other documentation of eligibility that the customer provides.

(i) An eligible telecommunications carrier may not disconnect lifeline service or refuse to provide lifeline and link up service to an eligible customer for non-payment of any of the following:

- (1) interexchange carrier charges;
- (2) cable television charges;
- (3) satellite television charges;
- (4) charges for cellular telephone service, if those charges are for service other than lifeline service;
- (5) charges for services not subject to commission regulation;
- (6) charges for a bundle of services if local service is part of the bundle.

(j) If a lifeline customer makes a partial payment on a bill that includes both local service and non-local services, the eligible telecommunications carrier shall apply the partial payment to local service first, unless the customer directs otherwise.

(k) In this section,

- (1) "household" means all persons who occupy a housing unit, regardless of whether they are related to each other;
- (2) "income" has the meaning given in 47 C.F.R. 54.400(f). (Eff. 1/28/2005, Register 173)

Authority: AS 42.05.141	AS 42.05.306	AS 42.05.800
AS 42.05.145	AS 42.05.431	AS 42.05.840
AS 42.05.151		

3 AAC 53.399. Definitions. Unless the context indicates otherwise, in 3 AAC 53.300 — 3 AAC 53.399

- (1) "administrator" means the applicant approved by the commission under 3 AAC 53.310 to serve as administrator of AUSF;
- (2) "AUSF" means the Alaska Universal Service Fund;
- (3) "eligible telecommunications carrier" means a telecommunications utility eligible under 47 U.S.C. 214(e) of the Federal Communications Act, as amended by the Telecommunications Act of 1996 (P.L. 104-104);
- (4) "lifeline" has the same meaning as set out in 47 C.F.R. 54.401;
- (5) "nonpooling company" means a company that is not a participant in the access charge pool established by the Alaska Intrastate Interexchange Access Charge Manual adopted by reference in 3 AAC 48.440;
- (6) "pooling company" means a company that is a participant in the access charge pool established by the Alaska Intrastate

Interexchange Access Charge Manual adopted by reference in 3 AAC 48.440;

(7) "universal service surcharge" or "surcharge" means a rate paid by a public utility for the use of the public telecommunications network;

(8) "link up" has the same meaning as set out in 47 C.F.R. 54.411. (Eff. 1/10/99, Register 149; am 1/28/2005, Register 173)

Authority:	AS 42.05.141	AS 42.05.431	AS 42.05.800
	AS 42.05.145	AS 42.05.711	AS 42.05.840
	AS 42.05.151		

Editor's note: A copy of 47 C.F.R. 54.401 and 47 C.F.R. 54.411, as specified in 3 AAC 53.399, is available for inspection at the office of the Regulatory Commission of Alaska as specified in 3 AAC 48.010(a).

Article 10. Criteria for the Provision of Private Pay Telephone Service.

Section

820. Limits on rates and charges

Publisher's note: This article heading is set out above to reflect its new article number resulting from the renumbering of former articles 2 through 9 as 3 through 10 in Register 160.

3 AAC 53.820. Limits on rates and charges. (a) A private pay telephone service provider may not charge more than \$.25 for each local call.

(b) A private pay telephone must provide access free of charge and without the use of a coin to

- (1) Repealed 7/15/98;
- (2) the 911 emergency number; and
- (3) the operator.

(c) End-user charges for intrastate interexchange calls placed from a private or public pay telephone through the presubscribed operator-service provider may not exceed the per-minute rates and surcharges of the interexchange carrier of last resort serving the exchange where the private or public pay telephone is located.

(d) A private pay telephone service provider may not require a deposit of coins in the telephone that results in the caller's paying a higher rate for a call that is advertised by the private pay telephone service provider.

(e) Except as provided in (b) of this section, a private pay telephone service provider shall charge only for completed calls. A completed call is one that reaches an individual or answering device. A private pay telephone must return all coins or other payment used to make

uncompleted calls. (Eff. 9/20/96, Register 139; am 7/15/98, Register 147; am 11/29/2006, Register 180)

Authority:	AS 42.05.141	AS 42.05.291	AS 42.05.391
	AS 42.05.151	AS 42.05.381	AS 42.05.431