

# ALASKA ADMINISTRATIVE CODE

## *Title 3*

DEPARTMENT OF COMMERCE, COMMUNITY, AND  
ECONOMIC DEVELOPMENT

PARTS 4A TO 19. REGULATORY COMMISSION OF ALASKA

Chapter

47. Regulatory Cost Charges for Public Utilities and Pipeline  
Carriers

48. Practice and Procedure

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50. Energy Conservation

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52. Operation of Public Utilities

53. Telecommunications

**[MAIN PAMPHLET, REGISTER 217, APRIL 2016]**

REGULATORY COMMISSION OF ALASKA

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## Part 7. Regulatory Commission of Alaska.

### Chapter

- 47. Regulatory Cost Charges for Public Utilities and Pipeline Carriers (3 AAC 47.010 — 3 AAC 47.999)
- 48. Practice and Procedure (3 AAC 48.010 — 3 AAC 48.820)
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**Editor's note:** Effective 6/29/84, Register 90, the substance of the following repealed regulations in 3 AAC 48 listed in the first column is contained in the regulations listed in the second column.

3 AAC 48.150(k) . . . . .	3 AAC 48.156
3 AAC 48.150(l) — (n) . . . . .	3 AAC 48.157
3 AAC 48.150(o) . . . . .	3 AAC 48.159
3 AAC 48.275(d) — (f) . . . . .	3 AAC 48.277

Repealed	is Contained in	The history of the repealed regulations before 6/29/84 is not reflected in the history notes at the new locations.
3 AAC 48.050(k) — (n)	3 AAC 48.055	Effective July 1, 1999, the functions of the Alaska Public Utilities Commission were transferred to the Regulatory Commission of Alaska by ch. 25, SLA 1999.
3 AAC 48.090(e) . . . . .	3 AAC 48.105	
3 AAC 48.150(d) . . . . .	3 AAC 48.151	
3 AAC 48.150(e) . . . . .	3 AAC 48.152	
3 AAC 48.150(f) . . . . .	3 AAC 48.153	
3 AAC 48.150(g) — (j)	3 AAC 48.154	

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

### Article

- 1. Applicability (3 AAC 47.010)
- 2. Regulatory Cost Charges for Regulated Public Utilities and Pipeline Carriers (3 AAC 47.020 — 3 AAC 47.070)
- 3. Regulatory Cost Charges for Exempt Utilities (3 AAC 47.100)
- 4. General Provisions (3 AAC 47.999)

### Article 1. Applicability.

#### Section

- 10. Applicability, purpose, and waiver

**3 AAC 47.010. Applicability, purpose, and waiver.** (a) The provisions of this chapter apply to all public utilities and pipeline carriers operating in Alaska, as specified in this chapter.

(b) The purpose of 3 AAC 47.010 — 3 AAC 47.999 is to implement

- (1) AS 42.05.254 and AS 42.06.286 by establishing a method to determine the regulatory cost charges for all regulated utilities and pipeline carriers operating in Alaska; and

- (2) AS 42.05.254 by establishing a procedure to determine the actual cost of services provided by the commission to public utilities exempt from regulation under AS 42.05.711.

(c) Unless otherwise mandated under AS 42.05 or AS 42.06, any

requirement in 3 AAC 47.010 — 3 AAC 47.999 may be modified or waived, in whole or in part, by order of the commission upon application and a showing of good cause or on the commission's own motion in accordance with the provisions of 3 AAC 48.805. (Eff. 10/21/92, Register 124; am/readopt 12/1/95, Register 136)

Authority:	AS 42.05.141	AS 42.05.254	AS 42.06.140
	AS 42.05.151	AS 42.05.711	AS 42.06.286

**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.

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

Section	Section
20. (Repealed)	45. (Repealed)
21. (Repealed)	50. Regulatory cost charge quarterly payments; reporting requirements
30. Determination of regulatory cost charge rates and payment dates; overpayment	60. Annual reporting requirements
40. Formulae for determination of regulatory cost charge rates	70. Billing of regulatory cost charges

**3 AAC 47.020. Initial regulatory cost charges.** Repealed. (Eff. 10/21/92, Register 124; repealed 12/1/94, Register 132)

**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 42.05.151	AS 42.05.254 AS 42.06.140	AS 42.06.286
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**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;

A<sub>1</sub> equals the portion of the commission's total requirement from regulatory cost charges that is allocated to the regulated sector;

A<sub>2</sub> 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

$$A_1 = D + N$$

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<sub>e</sub> 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<sub>e</sub> equals the total annual adjusted gross regulated operating revenue of electric utilities in the preceding calendar year;

and

kWh<sub>T</sub> 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)

<p><b>Authority:</b> AS 42.05.141 AS 42.05.151</p>	<p>AS 42.05.254 AS 42.06.140</p>	<p>AS 42.06.286</p>
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**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 47.050. Regulatory cost charge quarterly payments; reporting requirements.** (a) If the commission by order under 3 AAC 47.030(e) directs that payment of the regulatory cost charge must be made quarterly, each regulated utility and pipeline carrier shall submit to the Department of Revenue, within 30 days after the end of each quarter of the state fiscal year, quarterly payment of its regulatory cost charge, calculated by applying the regulatory cost charge rate established under 3 AAC 47.030(e) to the amounts described in (b)(1) of this section.

(b) At the time a regulated utility or pipeline carrier submits the payment required by (a) of this section, it shall file with the commission a report that contains the

(1) amount of adjusted gross regulated operating revenue from bills rendered during the preceding quarter and, in the case of a

regulated electric utility, kilowatt-hour sales, not including wholesale sales, on bills rendered during the preceding quarter; and

(2) total regulatory cost charge due on adjusted gross regulated operating revenue or, in the case of a regulated electric utility, kilowatt-hour sales, not including wholesale sales, for the preceding quarter;

(3) repealed 12/1/94.

(Eff. 10/21/92, Register 124; am 12/1/94, Register 132; readopt 12/1/95, Register 136)

**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 without change the preceding section under AS 42.05 and AS 42.06 as changed by ch. 1, SLA 1995.

**3 AAC 47.060. Annual reporting requirements.** Within 30 days after the filing with the commission of the annual report required by AS 42.05.451(b) and AS 42.06.430(7), a regulated utility or pipeline carrier shall file with the commission, on a form provided by the commission, a report containing

(1) the total amount of the regulated utility's or pipeline carrier's adjusted gross regulated operating revenue and, in the case of a regulated electric utility, kilowatt-hour sales, not including wholesale sales, for the period of the report;

(2) the total regulatory cost charge due on adjusted gross regulated operating revenue or, in the case of a regulated electric utility, the total regulatory cost charge due, based on kilowatt-hour sales, not including wholesale sales, for the period of the report;

(3) a reconciliation of the annual amounts with the amounts previously filed for quarterly periods for the period of the report;

(4) the total amount collected from ratepayers for the period of the report from a charge implemented under 3 AAC 47.070; and

(5) an affidavit stating whether the total regulatory cost charge due for the annual period, including adjustments required for payments for quarterly periods, has been paid to the Department of Revenue. (Eff. 10/21/92, Register 124; readopt 12/1/95, Register 136)

**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 without change the preceding section under AS 42.05 and AS 42.06 as changed by ch. 1, SLA 1995.

**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 preceding section under AS 42.05 and AS 42.06 as changed by ch. 1, SLA 1995.

**Article 3. Regulatory Cost Charges for Exempt Utilities.**

Section 100. Determination of actual costs for exempt public utilities

**3 AAC 47.100. Determination of actual costs for exempt public utilities.** (a) After notice and an opportunity for interested persons to be heard, the commission will establish, by order, a schedule of actual costs of services performed by the commission to be charged to exempt utilities. The schedule will be adjusted by commission order as necessary.

(b) Actual costs will be charged based upon either actual time and materials spent on a specific task or project, plus allowance for overhead, or upon an average of time, materials, and overhead for a group of similar tasks or projects.

(c) If the service rendered to an exempt utility is on the schedule established under (a) of this section, the charges for that service will be from the schedule.

(d) If the service rendered to an exempt utility is not specified on the schedule established under (a) of this section, the exempt utility will be charged based upon actual costs for that service.

(Eff. 10/21/92, Register 124; readopt 12/1/95, Register 136)

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 without change the preceding 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)

<b>Authority:</b> 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.

## Chapter 48. Practice and Procedure.

### Article

1. Practice Before the Commission (3 AAC 48.010 — 3 AAC 48.190)
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3. Simplified Pipeline Tariffs (3 AAC 48.450 — 3 AAC 48.490)
4. Cost-of-Service Study and Rate Design Information for Electric Utilities (3 AAC 48.500 — 3 AAC 48.560)
5. Applications Generally (3 AAC 48.600 — 3 AAC 48.661)
6. Simplified Rate Filing Procedures for Electric Cooperatives (3 AAC 48.700 — 3 AAC 48.790)
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8. (No Regulations Filed)

### Article 1. Practice Before the Commission.

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**3 AAC 48.010. Commission office, hours and seal.** (a) The principal office of the commission is located at 701 West Eighth Avenue, Suite 300, Anchorage, Alaska 99501-3469. The commission's area code number is 907 and its telephone number is 276-6222.

(b) The office of the commission is open for the transaction of business each day from 8:00 a.m. until 5:00 p.m., except Saturday, Sunday, and every state legal holiday.

(c) The official seal of the commission is a vignette of the official flag

of the State of Alaska surrounded by the words "Regulatory Commission of Alaska," a facsimile of which is reproduced below.



(d) The commission will, by resolution, designate the custodian of its official seal.

(e) Except as a particular credential may provide a more limited authorization, persons issued credentials by the commission are authorized to enter, inspect, and examine any and all lands, buildings, and equipment of persons subject to AS 42.05 Alaska Public Utilities Regulatory Act, AS 42.06, Pipeline Act, or related statutes, and to examine and copy any and all correspondence and other documents of those persons. A properly endorsed facsimile of the commission's credential card as set out below must, on demand, be shown by any representative of the commission whose identity and official authority may be questioned:

STATE OF ALASKA

THIS IS TO CERTIFY THAT \_\_\_\_\_, whose signature appears on the margin, is a representative of the Regulatory Commission of Alaska and is authorized to inspect any and all books, records, documents, and plant facilities of any person subject to AS 42.05 and AS 42.06 and related statutes.

This identification card expires \_\_\_\_\_.

REGULATORY COMMISSION OF ALASKA

BY (Signature in Ink)

CHAIR

(f) The commission will be in continuous session for the performance of its administrative duties, including hearings, participation in meetings, conferences and the conduct of other business. (Eff. 1/13/73, Register 44; am 6/29/84, Register 90; am 4/24/2004, Register 170; am 2/16/2012, Register 201)

Authority:	AS 42.04.030	AS 42.05.141	AS 42.06.140
	AS 42.04.050	AS 42.05.151	AS 42.06.440

**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 48.090(a) and 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; am 2/16/2012, Register 201)

Authority: AS 42.05.141

AS 42.05.151

AS 42.06.140

**3 AAC 48.025. Format for filings.** (a) Except as provided in (e) of this section, all text in filings, including correspondence, tariff filings, pleadings, and letters, whether filed on paper or electronically under 3 AAC 48.095, must be legibly typewritten in a font not less than 11 point, or hand printed in black ink, and must be formatted for or printed on 8-½ inch by 11 inch paper. Pleadings and testimony must have left-hand margins not less than one and one-half inches, right-hand margins not less than one-half inch, and top and bottom margins not less than one inch. All other filings must have not less than one inch margins on all sides, except that spreadsheets, graphs, maps, and similar documents must have not less than one-half inch margins on all sides. Spreadsheets, graphs, maps, and similar documents may have a font less than 11 point if the font is legible.

(b) Original paper filings of more than one page must be fastened with a clip on the upper left-hand corner or wrapped with a rubber band. Stapled or bound original materials will not be accepted. For both paper and electronic filings, pages must be numbered at the bottom of each page in the form "page x of y," with the exception of tariff sheets and commission forms using an alternate page format. Copies may be stapled or bound.

(c) Filings formatted to print on paper larger than 8-½ inches by 11 inches may not be reduced before filing if doing so will make the substantive text, graphics, or photographic material illegible. Instead, oversized paper filings must be folded to 8-½ inches by 11 inches before filing. Electronic filings containing documents that should be printed on oversized paper must identify those documents and the proper paper sizes necessary to print legible copies of the documents. If the oversized document is greater than 11 inches by 17 inches and is part of a filing that is to be made electronically, a placeholder page generally describing the oversized document must be inserted in the filing where the oversized document otherwise would be and must be filed with the commission under 3 AAC 48.090(b)(3) with a cover letter that includes the commission's docket number for the corresponding electronic filing, and the title, filed date, and page reference of the electronic filing to

which the oversized filing pertains. An electronic filing with a placeholder page is not complete until the paper version of the oversized document is officially received under 3 AAC 48.090(a) by the commission. Oversized documents must have not less than one-half inch margins on all sides and must be legible.

(d) Filings that are formatted to include distinct divisions, whether filed on paper or electronically in accordance with 3 AAC 48.095, must identify those divisions by a cover page inserted at the beginning of the division indicating the name or title of each division. The name or title must be roughly centered on the page and be exclusive of all other information.

(e) The requirements of (a) of this section do not apply to filings submitted under (c) of this section, 3 AAC 48.100(k), or 3 AAC 48.330, or to filings using commission forms that require a different format. However, any submission must be legible and otherwise comply with this section.

(f) The commission will not accept a filing that fails to meet the requirements of this section. (Eff. 2/16/2012, Register 201)

Authority: AS 42.05.141

AS 42.05.151

AS 42.06.140

**3 AAC 48.030. Fees, remittances and charges.** (a) Every charge payable to the commission shall be transmitted by letter indicating the amount and purpose thereof.

(b) Every remittance shall be by money order, bank draft, or check payable to the Regulatory Commission of Alaska. Remittances in coin or currency are tendered at the risk of the loss of money sent in that manner.

(c) Postage stamps shall not be sent as a remittance unless the remitter is so directed.

(d) Every fee required by statute in connection with applications relating to certificates of public convenience and necessity or any other matter which by statute requires formal action by the commission must be paid in full before the matter will be docketed for consideration. Every charge for copying; printing; reproducing; furnishing copies of reports, orders, pleadings, tariff sheets, regulations, etc.; and all costs allocated under AS 42.05.221(e), 42.05.401(b), 42.05.651, or 42.06.610 must be paid promptly upon receipt of the commission's invoice or order designating the amount owed. Failure to remit the amount due will, as appropriate, and at the commission's discretion, result in

(1) discontinuance of the service for which payment is due;

(2) denial of standing to participate in a proceeding in which costs may be allocated, until the amount due is paid;

(3) refusal of the commission to accept or act upon any application or tariff filing of the person who is in arrears, until the amount due is paid; and

(4) referral of the problem to the attorney general for appropriate action pursuant to AS 42.05.561 — 42.05.611 or AS 42.06.530 — 42.06.570.

(e) The commission may, by general order, prescribe appropriate charges to recover, in whole or in part, the costs it incurs in furnishing copies of notices, reports, orders or any printed or typed material in its possession, except privileged information or records. (Eff. 1/13/73, Register 44; am 6/29/84, Register 90; am 4/24/2004, Register 170)

<b>Authority:</b>	AS 42.05.141	AS 42.05.561	AS 42.05.651
	AS 42.05.151	AS 42.05.571	AS 42.06.140
	AS 42.05.201	AS 42.05.581	AS 42.06.210
	AS 42.05.221	AS 42.05.601	AS 42.06.607
	AS 42.05.401	AS 42.05.611	AS 42.06.610

**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 48.045. Procedure to classify records as confidential.**

(a) A person wishing to protect a record filed with, served upon, or otherwise made available to the commission must file with the commission a petition identifying the record to be protected and setting out good cause, including facts, reasons, or other grounds, for the commission to classify that record as confidential. If, at the time of filing, the person wishes to protect a record under this section, that person must stamp or otherwise mark the record as "confidential," and must file that record separately from any public record. If a person wishes to protect a record that has already been filed with the commission, that person must file a request with the commission to have that record marked as "confidential" and filed separately from any public record. A person may not file electronically any confidential record, and any document electronically filed with the commission is a public record in accordance with AS 42.05.671(a) and AS 42.06.445(a). The commission will reject an electronic filing, without releasing it as a public record, if the filing plainly contains confidential information. However, nothing in this subsection requires or imposes a duty on the commission to screen a filing for confidential information, and the commission will not screen a filing for confidential information.

(b) Good cause to classify a record as confidential under this section includes a showing that

(1) disclosure of the record to the public might competitively or financially disadvantage or harm the person with confidentiality interest or might reveal a trade secret; and

(2) the need for confidentiality outweighs the public interest in disclosure.

(c) A person who opposes a petition filed under (a) of this section may file a statement of opposition to the petition within five days of the filing of the petition with the commission. The statement must set out the facts and reasons why the record under consideration should not be classified as confidential.

(d) Unless the public interest or considerations of justice require expedited action, the decision of whether to grant or deny a petition to classify a record as confidential, in whole or in part, will be issued by the commission within 30 days following the filing of the petition.

(e) Pending the commission's action on a petition filed under (a) of this section, the record identified in the petition will be treated as confidential.

(f) Upon a determination by the commission that good cause exists under (b) of this section, an order will be issued by the commission that classifies the record as confidential and restricts access to the record or sets out other reasonable terms or conditions regarding access to it. (Eff. 6/29/84, Register 90; am 7/12/92, Register 123; am 2/16/2012, Register 201)

Authority: AS 42.05.141  
AS 42.05.151

AS 42.05.671  
AS 42.06.140

AS 42.06.445

**3 AAC 48.047. Denial of petition to classify records as confidential.** (a) If the commission denies a petition filed under 3 AAC 48.045, the commission will notify the petitioner and any person opposing the petition of the commission's determination to deny the petition.

(b) Within seven days following service of notice of a determination denying the petition, the petitioner may

- (1) petition for reconsideration; or
- (2) petition to withdraw the record.

(c) If neither reconsideration nor withdrawal of the record is requested, the record becomes public at the end of the seven-day period prescribed in (b) of this section.

(d) If reconsideration or withdrawal of a record is requested under (b) of this section and the request is denied by the commission, the commission will notify the petitioner and the record becomes public on the date set out in the commission's order denying reconsideration or withdrawal.

(e) If a petition for reconsideration or for withdrawal is granted, the commission will issue an order in accordance with 3 AAC 48.045(f). (Eff. 6/29/84, Register 90; am 7/12/92 Register 123)

Authority: AS 42.05.141  
AS 42.05.151

AS 42.05.671  
AS 42.06.140(a)

AS 42.06.445

**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)

<b>Authority:</b> 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 48.055. Subpoenas.** (a) A subpoena duces tecum for the production of books, records, papers, or other documents of any sort will be issued by the commission, at its discretion, upon application. The subpoena will be under the seal of the commission, on a commission form, and will describe the documents ordered to be produced in sufficient detail to permit ready identification.

(b) Applications for the issuance of a subpoena requiring the attendance of a witness for the purpose of taking oral testimony before the commission must be in writing and may be made by letter or wire.

(c) Unless otherwise directed by the commission, a subpoena or subpoena duces tecum will be issued by the commission only upon verified application showing general relevance and reasonable scope of the evidence sought. An application for a subpoena duces tecum must also specify with particularity the books, papers, or documents desired, and the facts expected to be proved by them. However, for good cause shown, the officer presiding at a hearing may issue a subpoena or subpoena duces tecum upon oral request made upon the record.

(d) A subpoena will be under the seal of the commission, will be on a commission form, and will not be issued unless the applicant establishes that the applicant has a proper relationship to the matter and gives the name and address of the desired witness.

(e) Signed and sealed blank subpoenas or subpoenas duces tecum will not be issued to anyone. The name and address of the witness will be inserted in the original subpoena, a copy of which will be filed in the proceeding. A subpoena or a subpoena duces tecum will show at whose request the subpoena is issued. (Eff. 6/29/84, Register 90)

<b>Authority:</b> AS 42.05.141	AS 42.05.151	AS 42.06.140(a)
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**3 AAC 48.060. Formal and informal procedures and files.** (a) The commission shall maintain separate files for all formal proceedings, assign a docket number and an appropriate caption to each formal proceeding and maintain a docket book. The docket pages for each proceeding shall contain

- (1) the assigned docket number and caption of the proceeding;
- (2) the date the proceeding was instituted;

(3) the general nature, filing party and date of each order, filing and submittal;

(4) the name of the court, and number assigned by the court to any order that is appealed;

(5) a cross-reference showing the order book and page where the original copy of each order is filed.

(b) A separate series of docket numbers will be used for each calendar year. Each series will begin with a capital letter "U" for utility proceedings, "P" for pipeline proceedings, "R" for rulemaking proceedings, or "I" for informational proceedings, followed by a dash, the year designated by the last two numbers of the year, another dash, and then a number starting with the number "001" for the first formal proceeding and ending with the sequential number for the last proceeding docketed in a calendar year. For the year 2012, for example, the first proceeding that is docketed will be assigned Docket No. U-12-001 if it is a utility proceeding, or P-12-001 if it is a pipeline proceeding and the last one, if there is a total of 75, would be in Docket No. U-12-075 if it is a utility proceeding or P-12-075 if it is a pipeline proceeding.

(c) The caption originally assigned to a proceeding by the commission shall not be changed in any way except by formal order and shall be used by the commission and all parties to the proceeding unless and until it is revised by order of the commission. All pleadings shall contain the officially assigned caption and the docket number shall be placed to the right of the caption, the same as in commission orders.

(d) The commission shall maintain a separate and complete file for each formal proceeding containing the original copy of each filing together with the hearing transcript, if any, and all other material relating to the proceeding.

(e) Whether issued by the commission or by an administrative law judge, and whether issued electronically or on paper, orders in each proceeding will be designated numerically in the sequence in which they are issued. An errata to an order will be designated by the associated order number and the suffix letter "E."

(f) Informal complaints will be kept in a separate file and will be numbered in the same general manner described in (b) of this section, except that the capital letter "C" will be used for utilities and pipeline carriers instead of the capital letters "U" and "P."

(g) If an informal complaint is not resolved by informal action, the complainant may request the commission to take formal action. If the commission institutes a formal proceeding, the entire informal file shall be transferred to the file of the formal proceeding and become a part of the correspondence pertaining to the formal proceeding. The informal file shall not become a part of the record of the formal proceeding, however, unless and until the informal file is admitted into evidence in a hearing in the formal proceeding.

(h) The commission will establish and maintain a separate set of files containing a copy of every special contract and the complete

effective tariff of every utility and pipeline carrier together with every advice letter and all associated correspondence.

(i) If a tariff filing is suspended, in whole or in part, during the statutory period of notice to the commission and the public, one copy of the filing will be transferred to the formal proceeding file in which the commission's suspension order was entered, together with a copy of the advice letter and all unprivileged material relating to the filing. Pending hearing on a suspended filing, the commission may issue an order instituting an investigation, naming parties, or establishing schedules, or may issue other orders it considers appropriate. Each order relating to a suspended tariff filing will be entered in the same proceeding as the one in which the suspension order was entered. (Eff. 1/13/73, Register 44; am 6/29/84, Register 90; am 3/21/2003, Register 165; am 2/16/2012, Register 201)

<b>Authority:</b> AS 42.05.141	AS 42.05.201	AS 42.06.140
AS 42.05.151	AS 42.05.361	AS 42.06.400

**3 AAC 48.070. Formal proceedings.** (a) Except as otherwise provided by 3 AAC 48.030 and 3 AAC 48.650, an application for a certificate of public convenience and necessity or for the revision, sale, lease, rental, or inheritance of a certificate; or for the authority to acquire a controlling interest in a certificated public utility or pipeline carrier; or any other application required by AS 42.05 or AS 42.06, will be docketed and considered in a formal proceeding.

(b) A tariff filing will not be docketed or considered in a formal proceeding unless it is suspended by order of the commission within the statutory notice period.

(c) The commission may institute a formal proceeding in regard to any jurisdictional matter, either on its own motion or on complaint. (Eff. 1/13/73, Register 44; am 6/29/84, Register 90)

<b>Authority:</b> AS 42.05.141	AS 42.05.271	AS 42.06.290
AS 42.05.151	AS 42.05.281	AS 42.06.300
AS 42.05.171	AS 42.06.140(a)	AS 42.06.340
AS 42.05.241	AS 42.06.260	AS 42.06.400
AS 42.05.261		

**3 AAC 48.080. Appearances.** (a) In any formal proceeding in which pleadings are filed, a party may appear before the commission and be represented by

- (1) attorneys at law admitted to practice in Alaska;
- (2) attorneys at law qualified and entitled to practice before the highest court of record of any other state;
- (3) himself or herself;
- (4) a co-partner of a partnership;
- (5) an officer, or full-time employee, of a corporation;
- (6) bona fide officer, or full-time employee of an unincorporated association;

(7) a duly authorized officer, agent or employee of a political subdivision; or

(8) any persons who can satisfy the commission that they possess the qualifications necessary to enable them to render valuable service before the commission, and that they are otherwise competent to advise and assist in the presentation of matters before the commission.

(b) An attorney may be permitted to withdraw from a proceeding before the commission under the conditions and in the manner prescribed in Alaska Rule of Civil Procedure 81 for the withdrawal of an attorney from a superior court proceeding.

(c) The commission may disqualify, and deny, temporarily or permanently, the privilege of appearing or practicing before it in any way, to any individual who is found by the commission, after hearing, either to be lacking in the requisite qualifications to represent others or in character or integrity or to have engaged in unethical or improper professional conduct. (Eff. 1/13/73, Register 44; am 6/29/84, Register 90)

Authority: AS 42.05.141

AS 42.05.151

**3 AAC 48.090. Filing, service, amendment and disposition of pleadings.** (a) A document is considered filed with the commission on the date it is officially received by the commission. If a party has the right, or is required, to perform some act within a prescribed period after notice or a pleading is served on that party, and the notice or pleading is served by United States mail or a similar delivery service, by hand, or by electronic means, the prescribed period begins the day after the date of certification of service. In computing any period of time prescribed or allowed by rule, order, or statute, the day of the act, event, or default after which the designated period of time begins to run is not included, in accordance with AS 01.10.080. If the last day of the period so computed is a Saturday, Sunday, or state legal holiday, the period runs until the end of the commission's next regular business day. When the period of time prescribed or allowed is less than seven days, intermediate Saturdays, Sundays, and state legal holidays are excluded in the computation. A filing, whether filed on paper or electronically, that the commission receives on a Saturday, Sunday, or state legal holiday, or that the commission receives after 5:00 p.m. on a business day, will be treated as officially received the next business day. The commission will not accept a filing unless the commission receives it free of any delivery charge or claim. In a specific proceeding, the commission may set a deadline that modifies when a filing will be accepted.

(b) Unless otherwise directed by the commission, service of pleadings, orders, and other documents is valid and complete if made in accordance with this subsection, as follows:

(1) except as provided in (3) of this subsection, service is completed by

(A) the commission when it

(i) issues an order by hand, by United States mail or a similar delivery service, or by electronic means to the parties of record; or

(ii) publishes an order in an informational or regulations proceeding on the commission's website;

(B) a party when the party files electronically with the commission through the commission's website in accordance with 3 AAC 48.095 and the party successfully sends notification and a copy of the filing by electronic mail to the other parties, or to their attorneys of record or other authorized representatives;

(C) a party when the party files with the commission on paper in accordance with (3) of this subsection and the party serves notification and its filing to other parties, or their attorney of records or other authorized representatives by hand or by United States mail or a similar delivery service;

(2) a party with electronic mail shall provide the commission and other parties with the party's electronic mail address; a party shall make and accept service electronically, instead of by paper copies, in docketed proceedings except as provided in (3) of this subsection; compliance with the requirement to provide the electronic mail address is achieved by including the electronic mail address within the signature block of submitted pleadings in accordance with 3 AAC 48.095(h) or within the letterhead or signature block of other correspondence; a party that is technologically unable to make and accept service by electronic means in accordance with this subsection shall either provide proof of an existing waiver, or pending waiver request, or submit a new request for a waiver of electronic service under 3 AAC 48.095(l) concurrent with the party's first filing in the proceeding; a party that is technologically unable to send or receive electronic documents in accordance with this subsection shall indicate in the signature block "no electronic mail address"; parties shall serve other parties electronically as follows:

(A) unless the sending party has a waiver or a waiver request pending under 3 AAC 48.095(l), the sending party shall use electronic mail to complete service to all other non-waiver parties in docketed proceedings; a sending party may substitute paper service for electronic service on another party, if both parties agree to be served in this manner;

(B) parties are responsible for coordinating with each other regarding proper electronic mail addresses, file size limitations, filters, and other technical matters that might affect electronic service; unless the parties agree otherwise, an electronic mailing, including its attachments, may not exceed 10 megabytes; a sending party may divide service into multiple electronic mailings to

accommodate electronic mailbox size restrictions, if each electronic mailing clearly identifies the division;

(C) electronic service to another party may be completed either by providing the files as attachments to an electronic mailing or by including hyperlinks to the files in an electronic mailing; submissions to the commission may not include hyperlinks;

(3) unless otherwise directed by the commission, a party filing on paper in accordance with 3 AAC 48.095(l), filing oversized documents in accordance with 3 AAC 48.025(c), or filing confidential material shall complete service by delivering in person, or by United States mail or a similar delivery service,

(A) an original and, if possible, a compact disc containing the file formats approved by the commission in accordance with 3 AAC 48.095(d) — (f) and containing the filing made to the commission; the party shall clearly label the compact disc with the party's name, docket number, type of pleading, date of submission, and file names; the party shall also provide signed verification that the documents contained on the compact disc are an exact replica of the documents filed with the commission in accordance with this section;

(B) five copies of each document to the commission, with one additional copy for each additional docket if the matter is a consolidated proceeding; documents exceeding 11 inches by 17 inches and filed under 3 AAC 48.025(c) are not subject to this subparagraph; however, the party shall supplement the party's filing with additional copies if requested to do so by the commission after filing; and

(C) one copy to each other party's attorney of record or other authorized representative, or to the other party if the other party is unrepresented;

(4) a sending party may substitute electronic service for paper service of confidential material on another party, if both parties agree to be served in this manner;

(5) service between parties under this subsection must be completed no later than 5:00 p.m., absent agreement of the parties.

(c) Pleadings shall be liberally construed and any defect that does not substantially affect the rights of the parties will, in the commission's discretion, be disregarded. Subject to any conditions it may impose, the commission may allow a pleading to be amended, withdrawn, corrected, supplemented or to be made orally with written notice to any other party. Pleadings that are considered grossly defective may, in the commission's discretion, be disregarded or rejected and returned to the pleading party together with an explanation, in writing, of the reason for the action taken.

(d) At any stage of the proceeding, prior to entry of a commission's final order

(1) an application or petition may be withdrawn without order of the commission by filing a notice of withdrawal;

(2) the proceeding may be terminated by filing a stipulation agreed to by all parties of record provided the commission does not find that the public interest requires the proceeding to be continued;

(3) a party shall promptly file an amendment to any pleading explaining any changed facts or circumstances if, after the date of the original pleading, there is a significant change in the information required to be shown in pleadings by 3 AAC 48.010 — 3 AAC 48.170 or in regard to any other relevant matter; or

(4) the commission may, for reasons stated in its order, terminate a proceeding at the request of an interested party or on its own motion.

(e) Repealed 6/29/84.

(f) If a pleading is filed with the commission setting out a violation or omission by any party, the respondent has the right to satisfy or answer the complaint according to the following:

(1) Any party against whom such a pleading is directed who wishes to defend or contest it, or to make any representation to the commission in connection with it, shall file with the commission and serve on the petitioner and all parties, a written answer to the pleading within 20 days after service of the pleading upon that party, unless for good cause, the commission extends or shortens the time within which answers may be made. Answers must be so drawn as to inform the commission and all parties of record fully and completely as to the nature of the answer, and must specifically admit or deny in detail all material allegations of the pleading against which the answer is directed. Matters alleged by way of cross-complaint or affirmative defense must be separately stated and numbered. The commission will, in its discretion, order a respondent to file an answer if it considers that action necessary. If a party fails to answer within the time specified in this paragraph, the party is considered to have denied generally the allegation of the complaint or petition and is precluded, except with the consent of opposing parties and the commission, from setting up an affirmative defense in the proceeding; the commission will proceed with the matter solely upon the issues set out in the complaint or petition. Answers are not required in a rate proceeding initiated as a result of a tariff filing.

(2) A party may amend its pleading once, as a matter of course, at any time before a responsive pleading is served. If the pleading is one to which no responsive pleading is permitted and the action has not been placed upon the hearing calendar, the party may so amend it at any time within 20 days after it is served. Otherwise a party may amend its pleading only by permission of the commission. A party shall plead in response to an amended pleading within the time remaining for response to the original pleading or within 10 days after service of the amended pleading, whichever period may be the longer, unless the commission otherwise orders.

(g) A party desiring to reply to an answer shall serve the required number of copies of it on the commission within 20 days after service of the answer.

(h) If the commission so orders in any proceeding, a copy of any application, petition, complaint, motion, or other paper designated by the commission shall be served by the party that submitted the filing on all persons whom the commission determines may be affected by the proceeding. After a proceeding has been instituted, each answer, motion or other paper subsequently filed by any party must be served on all attorneys and parties of record concurrently with the filing thereof with the commission together with proof of service.

(i) Whenever, by rule or order, an act is required or allowed to be performed on or before a specified date, the commission, for cause shown, may

(1) on its own initiative or pursuant to motion and with or without notice, order the period extended if the order is issued prior to the date originally specified; or

(2) pursuant to motion, with notice given after the expiration of the specified period, permit the act to be performed provided the failure to act was the result of excusable neglect or oversight, but a permission thus granted shall not relieve a party from complying with additional requirements the commission may specify for obtaining relief from a particular failure.

(j) A formal proceeding shall not be terminated without issuing at least one order containing the commission's findings, conclusions and decision. If final order of the commission is reconsidered or subject to judicial review, the proceeding shall be reopened under the same docket number until the issues being reconsidered or reviewed have been resolved and no further action by the commission is required. (Eff. 1/13/73, Register 44; am 6/29/84, Register 90; am 8/6/92, Register 123; am 5/5/2000, Register 154; am 2/16/2012, Register 201)

Authority: AS 42.04.080 AS 42.05.151 AS 42.06.140  
AS 42.05.141 AS 42.06.055

**3 AAC 48.091. Motions.** (a) A motion or related filing must comply with the filing, service, and general pleading requirements of 3 AAC 48.090 — 3 AAC 48.100. A motion, any opposition to, or support for, the motion, and any reply must contain a complete written statement of the reasons in support of the pleading including the points and authorities upon which the party will rely. A party may not file a supporting memorandum as a separate document from the party's corresponding motion, opposition, or reply.

(b) With a motion, the moving party shall file a legible copy of each photograph, affidavit, and other documentary evidence that the party intends to submit in support of the motion.

(c) Unless otherwise ordered by the commission, or otherwise stipulated to by the parties with commission approval, a party opposing or supporting a motion shall, no later than 10 days after service of the motion upon that party, file the complete written statement of reasons in support of the pleading as required under (a) of this section and a

legible copy of each photograph, affidavit, and other documentary evidence upon which the party intends to rely.

(d) Notwithstanding the time specified in (c) of this section, the time for filings related to a motion to dismiss, a motion for summary disposition, or any other dispositive motion is 15 days.

(e) The movant may file a reply that complies with (a) of this section and supplemental material, if any, no later than three business days after the date of service of the opposition to or support for the motion. These filings are subject to the requirements of (a) and (b) of this section.

(f) The commission will not consider a written motion before an opposing party has a reasonable opportunity to respond, unless it clearly appears from the specific facts in the motion or commission records that immediate and irreparable injury, loss, or damage would result to the moving party before any reasonable opportunity to respond could be given.

(g) In a separate motion, a party may move for expedited consideration of its principal motion by requesting relief in less time than would normally be required for the commission to issue a decision. If the party files electronically under 3 AAC 48.095, the party shall also use the commission's website features to indicate that the filing includes a motion for expedited consideration, if the motion is required to be submitted with the filing. A failure to properly indicate that the filing includes a motion for expedited consideration may delay commission review of the request. Courtesy copies of the motion, regardless of when or how they are received by the commission, will not be considered part of the official record of the proceeding, and the commission will not base a timeline upon their receipt. The motion must

- (1) be captioned "Motion for Expedited Consideration";
- (2) comply with other applicable provisions of this section;
- (3) include an affidavit or other evidence showing the facts that justify expedited consideration and the date by which a decision on the principal motion is needed; and
- (4) if the motion requests a decision before the usual time for response to the motion, include a certificate indicating when and how the opposing party was served with the motion, or, if the opposing party was not notified, what efforts were made to notify the opposing party and why it was not practical to notify the opposing party in a manner and at a time that a response could be made; in the certificate, the moving party shall indicate the position of the other parties on the request for expedited consideration if that position is known by the party.

(h) The commission will not rule on a motion for expedited consideration before the opposing party is allowed a reasonable opportunity to respond, without compelling reasons for an expedited decision and a showing by the movant of reasonable efforts to timely notify the opposing party.

(i) A stipulation between parties may be submitted in support of a motion but is not binding on the commission.

(j) The filing of a frivolous or unnecessary motion or frivolous or unnecessary response to a motion that unduly delays the course of the proceeding, or the filing of any motion to dismiss or motion to strike for the purpose of delay if no reasonable ground appears for the filing, will subject the person filing that pleading to imposition of sanctions set out in 3 AAC 48.155(c) and 3 AAC 48.170.

(k) If additional pertinent authority comes to the attention of a party after the party's pleading made under this section has been filed but before a decision has been issued on the motion, the party shall promptly file notice of additional pertinent authority with the commission and all parties. In its filing, the party shall refer to the page of the pleading to which the authority pertains, but the filing may not contain argument or explanations. The other party may file a response. Any response must be made promptly and is limited in the same manner as described in this subsection.

(l) Notwithstanding the time specified in (c) of this section, the time to file in opposition to or in support of a motion under 3 AAC 48.141 — 3 AAC 48.145 concerning discovery is five business days unless the presiding officer establishes a different time for response. Notwithstanding the time specified in (e) of this section, the time to file a reply to a response to a motion 3 AAC 48.141 — 3 AAC 48.145 concerning discovery is two business days unless the presiding officer establishes a different time for reply. (Eff. 4/13/2000, Register 154; am 2/16/2012, Register 201; am 8/18/2013, Register 207)

Authority: AS 42.04.080  
AS 42.05.141

AS 42.05.151

AS 42.06.140

**3 AAC 48.095. Electronic filing requirements.** (a) Unless otherwise specified by order, or waived in accordance with (l) of this section or another applicable provision of this chapter, all parties and their representatives participating in a docket proceeding before the commission shall file, serve, and accept service electronically. An electronic filing with the commission must be made through the commission's electronic filing systems using the commission's website. Public comments may be filed either electronically, including by electronic mail, or on paper. Additional copies of a filing, in any form, are not required, and may be deleted or destroyed by the commission. Electronic mail may be submitted to facilitate the commission staff's work, if requested by the staff or the commission.

(b) Upon request, the commission may issue a user name and password to a person that seeks to file and accept service electronically through the commission's electronic filing systems using the commission's website. Use of the commission's electronic filing systems is subject to the following:

(1) the filer's use of a commission-issued user name and password

constitutes the filer's verification that the filer has the requisite authority to make the filing on the filer's own behalf or on behalf of the entity that the filer purports to represent;

(2) if a filer believes that the security of an existing user name or password has been compromised, the filer shall notify the commission and, if possible, change the password immediately;

(3) the commission may revoke a filer's participation in electronic filing and cancel the filer's user name and password if the commission determines that the filer or whoever is using the user name and password is abusing electronic filing privileges;

(4) for purposes of (3) of this subsection, abuse of electronic filing privileges includes knowingly permitting unauthorized use of a user name or password or knowingly engaging in actions that interfere, or attempt to interfere, with the security of the commission's electronic filing systems, including the introduction of a virus or destructive programming into the electronic filing systems;

(5) the commission may authorize additional users associated with a utility, pipeline carrier, or other entity.

(c) An electronic filing may be rejected if it is not in compliance with this chapter or for other good cause. The commission may combine or separate files within a filing, or documents within a file, if necessary for administrative efficiency or organizational clarity. Multi-topic electronic filings may be rejected. An electronic filing will be rejected by letter or electronically, if the filing

(1) contains an excessive number of files;

(2) is excessively large;

(3) does not have an appropriate extension indicating the file type;

(4) is corrupt or otherwise cannot be successfully read or processed by the commission; or

(5) contains, in violation of 3 AAC 48.045(a), confidential information.

(d) When submitting an electronic filing containing supporting documents, the filer shall make one submission containing an individual file for each document. Each individual file must be named consistent with (g) of this section.

(e) An electronic filing submitted to the commission must be filed in portable document format (pdf), and must be text-searchable. A filer shall provide an electronic filing in its native format, if requested to do so by the commission after filing. If possible, a filer shall convert a document from its native format into portable document format, rather than scan a paper copy. If a document is scanned into portable document format, the filer shall use the highest quality resolution available, and shall employ an optical character recognition (OCR) program so that copy and paste and keyword search functions may be used. A document may not be scanned in color, unless color is essential to understanding of the information, such as in certain kinds of graphs.

(f) An electronic filing may not be submitted with security settings that prevent printing, copying, and pasting of text from the files. The

security settings on an electronic filing must allow the commission to apply its electronic date-received stamp to the files. A filing not meeting the requirements of this subsection will be rejected.

(g) An electronic file description and name must be as descriptive and concise as possible. The commission staff may change a file description or name if the change will assist staff processing of the file.

(h) To verify an electronic filing by signature, a filer shall do the following:

(1) an electronic filing must include at least one signature block within the filing; the cover letter, application form, motion, or similar document within a filing must include, in the following format, a signature block that includes the typewritten name, mailing address, telephone number, facsimile number, and electronic mail address of the signatory authorized to sign under 3 AAC 48.100(g):

Contact Name  
Mailing Address  
City, State, Zip Code  
Phone: (xxx) xxx-xxxx  
Fax: (xxx) xxx-xxxx  
Electronic Mail Address: xxx@xxx.xxx;

(2) if the electronic filing is not based on a signed, scanned paper document, the filer shall apply an electronic signature to the electronic filing; if a filer does not have the requisite software to apply an electronic signature, the filer shall sign the signature line in the following manner: “/s/ (contact name)”; upon filing through the commission’s website in accordance with an approved user identification and password, the electronic or typed signature is presumptively valid;

(3) a scanned filing must contain an original signature in ink, not an electronic signature or “/s/ (contact name).”

(i) A joint filing submitted on behalf of more than one party will be accepted electronically if

(1) the filing clearly indicates the parties on behalf of whom the filing is made; and

(2) each indicated party has applied the party’s electronic or original signature, the filing party represents in the filing that the filing party is authorized to sign on behalf of the parties not signing on their own behalf, or any party not signing separately files a certificate of concurrence in accordance with (j) of this section; if a single person is authorized to file on behalf of more than one party, as indicated in a properly filed entry of appearance, a certificate of concurrence is not required from the represented parties.

(j) If a joint filing under (i) of this section is not signed by or on behalf of a party, that party shall file a certificate of concurrence no later than three business days after the commission has assigned a tracking number to the filing. The certificate must be filed in accordance with 3 AAC 48.090(b) and contain the following elements:

[Docket caption and number]

Certificate of Concurrence

[Party name] concurs with the filing [tracking number] made [date received by the commission] entitled [filing title/description].

/s/ [Contact Name]

Mailing Address

City, State, Zip Code

Phone: (xxx) xxx-xxxx

Fax: (xxx) xxx-xxxx

Electronic Mail Address: xxx@xxx.xxx;

(k) Service of filings under this section must comply with 3 AAC 48.090(b).

(l) The following procedures and requirements apply to a waiver from the electronic filing requirements of this section:

(1) a person requesting a waiver from the requirements of this section must file an original and two copies of a pleading entitled "Request for Waiver of Electronic Filing Requirements"; the provisions of 3 AAC 48.091 do not apply to a request for waiver submitted under this section; the administrative law judge assigned to the docket may reject a paper filing made without a pending waiver request, or proof of an existing waiver, if the filing was required to be submitted electronically;

(2) a request for a waiver of the electronic filing requirements for the duration of a docket may be granted if the requesting person

(A) does not own or have reasonable access to the electronic equipment and software necessary to make the electronic filing;

(B) does not have a broadband Internet access connection to make the electronic filing;

(C) would incur interexchange per-minute charges to make the electronic filing;

(D) lacks a scanner, and the scanner is necessary for the person to make the electronic filing; or

(E) provides an affidavit setting out the factual basis for why compliance is not reasonably possible or would lead to undue hardship;

(3) the requesting person must file with the commission and serve on all other parties the request for a waiver concurrently with the person's first filing in the docket proceeding; while the request for a waiver is pending, all other parties to the proceeding shall complete service in person upon the requesting person, or by United States mail or a similar delivery service;

(4) a party may not file an opposition to a request for a waiver;

(5) the commission or an administrative law judge may deny a request for a waiver for good cause; if no action is taken on a request for a waiver five business days or earlier after filing, the request for a waiver is granted;

(6) if, after receiving a waiver under this subsection, a person becomes able to send and receive electronic filings, the person shall

notify the commission immediately; the waiver of the electronic filing requirements automatically terminates upon receipt by the commission of that notice;

(7) a waiver of electronic filing requirements applies to a party's participation in a specific docket proceeding and continues for the duration of that docket unless terminated under (6) of this subsection, or otherwise stated in a commission order.

(m) A certificate of service may not be filed as a separate filing, but may be either a separate file within the filing or contained within and at the end of the primary file. A certificate of service that includes service on a party by electronic means must be worded substantially as follows:

I hereby certify that on [date], a copy of [name of document] was served electronically on [names of parties served electronically, including electronic mail address used] by electronic means authorized by the commission, and on [name(s) and address(es) of parties served a paper version] by [method]. /s/ [person responsible for service].

(n) Material that is not available in electronic format and that cannot be converted to an electronic format acceptable to the commission must be filed on paper under 3 AAC 48.090(b). If material is filed on paper, the filer shall include a placeholder page at the appropriate place sequentially in the electronically filed document to which the material applies, with a conspicuous notation in the middle of the page in at least 14 point font: "(insert brief description) filed on paper only." An electronic filing with a placeholder page is not complete until the paper version of the omitted material is officially received under 3 AAC 48.090(a) by the commission.

(o) If a failure of the commission's electronic filing systems prevents a timely electronic filing, the filing shall be submitted by electronic mail to the commission's records and filings department, or submitted on paper. If a filer cannot timely file due to a failure of the commission's electronic filing systems, the commission will accept the filing as timely filed, without the need for the filer to submit a motion to accept late filing. If a filer's system failure causes a late electronic filing, the filer shall include with that filing a motion to accept late filing. That motion may not exceed three pages.

(p) If a filer does not receive an electronic mail acknowledgement that the commission has received an electronic filing, the filer shall contact the commission to verify that the electronic filing has been received. (Eff. 2/16/2012, Register 201)

Authority: AS 42.05.141

AS 42.05.151

AS 42.06.140

**3 AAC 48.100. General requirements of pleadings.** (a) Pleadings before the commission shall be classified and designated as an

application, complaint, cross-complaint, petition, protest, answer, reply or motion.

(b) In the order listed below, each pleading shall include

- (1) the heading and caption (including the names of the parties and the docket number, if known);
- (2) the allegations or statements of fact and law set forth in numbered paragraphs;
- (3) the prayer or request of the party filing the pleading;
- (4) the signature and execution of the pleading;
- (5) the verification in compliance with applicable state law, including AS 09.63, when necessary; and
- (6) the proof of service.

(c) Each pleading shall contain the heading "BEFORE THE REGULATORY COMMISSION OF ALASKA." The exact caption and docket number assigned by the commission, if known, shall be inserted immediately below the heading in every pleading filed after the date that the proceeding is docketed. This caption, when known, shall be followed by a brief description of the desired order, authorization, permission, or certificate, followed by a word designating the title of the document (e.g., the heading of a complaint shall designate the title of the document as a "COMPLAINT" and the heading of an answer shall set forth the title as "ANSWER"). The name of the party filing the pleading must be stated in the caption if the docket number is not known. Space must be left to the right of the caption for the insertion of the docket number by the commission in the event the pleading does not contain the docket number. The name of the complainant shall be followed by the word "COMPLAINANT"; the name of the respondent named in a complaint shall be followed by the word "RESPONDENT"; the name of an applicant shall be followed by the word "APPLICANT"; etc.

(d) The numbered paragraphs of each pleading shall contain

- (1) correct citations to the law, rules, regulations or orders that govern the subject of the pleading;
- (2) a complete and detailed statement of all facts and circumstances pertinent to the pleading, together with a correct reference to each appendix (designated as appendix "A," appendix "B," etc.) that is submitted in support of the pleading; and
- (3) a statement as to the form of organization of the pleading party (e.g., private corporation, municipal corporation; incorporated borough, partnership, incorporated association, unincorporated association, joint-venture, individual, individual proprietorship, etc.) and, when applicable, the date of organization and the term or duration of the organization (e.g., 50 years, perpetual, etc.).

(e) The numbered paragraphs of a pleading shall be followed by the prayer which shall be a concise and complete statement of all relief sought by the pleader. The prayer should be brief, but should be complete to the end that an order granting the prayer would include all of the relief desired and requested by the pleader.

(f) The original of each pleading filed with the commission must be personally signed in ink, or in accordance with 3 AAC 48.095(h), by any one of the following:

- (1) the party making the pleading or by each of the parties, if there is more than one party;
- (2) an authorized official of the party;
- (3) a co-partner of a partnership;
- (4) an authorized officer or full-time employee of a corporation;
- (5) an authorized bona fide officer or full-time employee of an unincorporated association; or
- (6) the party's attorney or authorized representative.

(g) Beneath the signature of every attorney of record, party, or other person appearing on a pleading, there must be typed, stamped, or printed the person's name and, for initial proceedings, the person's mailing address, telephone number, facsimile number, attorney bar number, if applicable, and electronic mail address. The correct legal name of an unrepresented party, or the firm name of a party's representative, who signs the pleading must appear above the signature of the person signing the pleading on behalf of that entity. The first pleading of a party, and only the first, must

- (1) set out the address of the party and, if the party is a corporation, association, or other organized group, the state in which, and the law under which, it is organized; and

- (2) state the name, title, mailing address, facsimile number, and electronic mail address of the person to whom correspondence and communications in the proceeding are to be addressed.

(h) Notices, orders, and pleadings may be served on the person designated for service under (g) of this section in accordance with 3 AAC 48.090(b).

(i) All balance sheets, income statements, journal entries, and other accounting exhibits, reports or statements shall conform to the applicable uniform system of accounts prescribed by the commission.

(j) Pleadings must be legible. Handwritten pleadings may be single-spaced, but the text of pleadings that are typewritten must be double-spaced except for quotations, which must be single-spaced and may be indented. Any process of reproduction may be used, if every copy is clear and permanently legible. The first time that a person's name is mentioned in the body of a pleading, it must be stated accurately and completely. For example, if a corporation's legal name is "The ABC Corporation," it may not be designated as "ABC Corp." But if the pleading party wishes, for any reason, to abbreviate a name used repeatedly in a pleading, the abbreviation must be set out in parentheses immediately following the first time that the name is spelled out in full.

(k) The type and size requirements in 3 AAC 48.025 do not apply to an exhibit submitted as part of prefiled testimony under 3 AAC 48.153 or introduced at hearing under 3 AAC 48.154. However, the exhibit

must be legible, and the exhibit must be folded to conform in size to 8-½ inches by 11 inches. Service must be completed under 3 AAC 48.090(b).

(l) A copy of each pleading in a proceeding shall be served by the filing party on every other party to the proceeding together with proof of service, under 3 AAC 48.090(b). The commission will serve its orders and notices in accordance with 3 AAC 48.090(b)(1)(A). The commission will post its orders on its website.

(m) An affidavit must be signed and notarized in ink. Unless otherwise ordered, the commission will not accept an electronic signature by an affiant or the affiant's notary on an affidavit filed under 3 AAC 48.095. However, the document may be scanned and submitted electronically after original signatures are applied. The filer shall retain the original notarized affidavit for inspection for the duration of the proceeding, including any appeals. (Eff. 1/13/73, Register 44; am 6/29/84, Register 90; am 8/6/92, Register 123; am 4/24/2004, Register 170; am 2/16/2012, Register 201)

Authority: AS 42.05.141  
AS 42.05.151

AS 42.05.451

AS 42.06.140

**3 AAC 48.105. Petitions for reconsideration.** Within 15 days after an order of the commission is served, a party may file a petition for reconsideration of that order setting out specifically the grounds upon which the petitioner believes the order is unreasonable, erroneous, unlawful, or otherwise defective. The petitioner may also submit a proposed order designed to cure the alleged defects of the commission's order. A party opposing a petition for reconsideration has 10 days after the date on which the petition is filed with the commission to respond. The commission's power to order reconsideration expires 30 days after the date on which the petition for reconsideration is filed with the commission. If the commission takes no action on a petition for reconsideration within the time allowed for ordering reconsideration, the petition is automatically denied. The commission may order reconsideration in writing of all or part of the record in a proceeding together with any additional evidence and argument which may be permitted either in writing or orally. The mere filing of a petition for reconsideration does not excuse the petitioning party from compliance with a decision or order of the commission. (Eff. 1/13/73, Register 44; am 6/29/84, Register 90)

Authority: AS 42.05.141

AS 42.05.151

AS 42.06.140(a)

**3 AAC 48.110. Intervention.** (a) Petitions for permission to intervene as a party will be considered only in those cases that are to be decided upon an evidentiary record after notice and hearing. Any person who has a statutory right to be made a party to that proceeding

will be permitted to intervene. Any person whose intervention will be conducive to the ends of justice and will not unduly delay the conduct of the proceeding will, in the commission's discretion, be permitted to intervene. The commission does not grant formal intervention, as such, in nonhearing matters, and any interested person may file documents authorized under 3 AAC 48.010 — 3 AAC 48.170 without first obtaining permission.

(b) In passing upon a petition to intervene, the following factors, among others, will be considered:

(1) the nature of the petitioner's right under statute to be made a party to the proceeding;

(2) the nature and extent of the property, financial, or other interest of the petitioner;

(3) the effect on petitioner's interest of the order which may be entered in the proceeding;

(4) the availability of other means by which the petitioner's interest may be protected;

(5) the extent to which petitioner's interest will be represented by existing parties;

(6) the extent to which petitioner's participation may reasonably be expected to assist in the development of a sound record, including the issues that petitioner intends to address in the proceeding; and

(7) the extent to which participation of the petitioner will broaden the issue or delay the proceeding.

(c) A person wishing to intervene in a proceeding shall file a petition in conformity with 3 AAC 48.090 — 3 AAC 48.100 setting out the facts and reasons why that person should be granted permission to intervene. The petition should make specific reference to the factors set out in (b) of this section.

(d) Unless otherwise ordered by the commission, a petition for permission to intervene must be filed with the commission before the first prehearing conference or, if no conference is to be held, not later than 30 days before the hearing. A petition for permission to intervene which is not timely filed will be dismissed unless the petitioner clearly shows good cause for failure to file that petition on time.

(e) A party to a proceeding may file an answer to a petition to intervene, making specific reference to the factors set out in (b) of this section, within seven days after the petition is filed.

(f) The decision granting, denying, or otherwise ruling on any petition to intervene will, in the commission's discretion, be issued without receiving testimony or oral argument either from the petitioner or other parties to the proceeding.

(g) A person permitted to intervene in a proceeding thereby becomes a party to the proceeding. However, interventions provided for in this section are for administrative purposes only, and no decision granting leave to intervene may be deemed to constitute an expression by the commission that the intervening party has such a substantial interest

in the order that is to be entered in the proceeding as will entitle it to judicial review of such order. (Eff. 1/13/73, Register 44; am 6/29/84, Register 90)

Authority: AS 42.05.141

AS 42.05.151

AS 42.06.140(a)

**3 AAC 48.115. Compensation for consumer participation.**

(a) Unless an alternative means of compensation is provided as described in (g) of this section, an electric consumer who participates in a commission proceeding either as an intervenor or as a public witness, and who substantially contributes to the acceptance, in whole or in part, of a position related to any of the standards contained in Title I, Subtitle B of the Public Utility Regulatory Policies Act of 1978 (P.L. 95—617), as applied to the consumer's utility, will, in the commission's discretion, be compensated for reasonable costs of preparing and advocating that position.

(b) At least 10 days before the beginning of a hearing in which the commission considers any of the standards contained in Title I, Subtitle B, an electric consumer who desires compensation shall file a written statement which includes

- (1) notice of intent to request compensation for participation;
- (2) the name of the electric utility which serves the consumer; and
- (3) a description of the consumer's interest and expected participation in the proceeding.

(c) If any of these electric consumers share the same or similar interests, the commission may appoint a common representative as a condition to the consumers receiving compensation.

(d)(1) The commission will name in its final order in the proceeding any electric consumer who substantially contributed to the approval by the commission, in whole or in part, of the consumer's position.

(2) Within 15 days after this order is issued, an electric consumer whom the commission qualifies for compensation shall file with the commission and serve on the affected utility a memorandum of costs. If participation in the proceeding has caused the consumer significant financial hardship, the consumer may describe the circumstances of hardship in the memorandum.

(3) Within 15 days after filing the memorandum of costs, the affected utility may file with the commission and serve on the consumer a response.

(4) Based on the results of the consumer's participation, the utility's response, and, where relevant, the consumer's financial circumstances, the commission will award by written order, the fees and costs it finds reasonable.

(5) If an electric consumer whom the commission qualifies for compensation participates in an appeal of this order, that consumer may file with the commission and serve on the affected utility a memorandum of appeal costs within 15 days of the issuance of the

court order which finally adjudicates the appeal. The procedures established in paragraphs (3) and (4) of this subsection and (f) of this section apply for compensation for appeal costs.

(e) The commission will, in its discretion, compensate an electric consumer for the following fees and costs:

- (1) reasonable attorney fees;
- (2) reasonable expert witness fees; and
- (3) reasonable costs incurred in the preparation and advocacy of the consumer's position, including costs of obtaining judicial review.

(f) The affected electric utility shall pay the consumer the amount awarded within 45 days after the issuance of the commission's order awarding costs.

(g) Subsections (a) — (f) of this section do not apply if the state or the commission has provided an alternative means of compensating persons who cannot afford to pay reasonable costs of preparing and advocating a position and who have, or represent, an interest

- (1) not otherwise adequately represented in the proceeding; and
- (2) necessary for a fair determination in the proceeding.

(h) This section applies to an electric consumer of a regulated electric utility subject to Title I of the Public Utility Regulatory Policies Act of 1978 (a public utility whose sales of electric energy, for purposes other than resale, during any calendar year after 1975 and before the immediately preceding calendar year, exceeded 500 million kilowatt-hours).

(i) In this section

(1) "electric consumer" means any person to whom electric energy is sold, other than for purposes of resale, by a public utility;

(2) "memorandum of costs" or "memorandum of appeal costs" means an itemized list of work and services performed with associated costs, expenses, and fees, documented by invoices and by time sheets marked in no less detail than 15-minute intervals;

(3) "public witness" means a person who presents an oral or written statement, comment, argument, or draft revision to a proposed regulation, in a proceeding conducted by the commission;

(4) "reasonable fee or cost" means a range, the upper end of which is the fee or cost based on the prevailing market rates in Alaska for the kind and quality of service provided, and the lower end of which is the fee or cost based on the prevailing market rates in the contiguous United States for the kind and quality of service provided; and

(5) "same or similar interests" means identical or like concerns, circumstances, or legal rights, similarly affected by the commission's consideration of a specific regulation or standard. (Eff. 8/10/80, Register 75)

**3 AAC 48.120. Informal complaints.** (a) If a customer or shipper has an informal complaint against a public utility or pipeline carrier, the complaint must be made first to the utility or carrier. If the complainant is not satisfied with the disposition of the complaint, the complainant or the complainant's authorized representative, may then file a complaint with the commission. A utility or pipeline carrier shall assist a customer or shipper by giving notice on how to follow through on a complaint. An informal complaint to the commission need not be in any particular form and may be either written or oral. The commission will, in its discretion, request written confirmation of an oral complaint. A complaint must include, in as much detail as possible,

(1) every pertinent fact relative to the origin, nature, and basis of the complaint;

(2) everything the complainant has done, or tried to do, either orally or in writing, to resolve the complaint;

(3) the response of the utility or pipeline carrier to the arguments and efforts of the complainant; and

(4) a copy of any written actions to resolve the complaint or other available supporting documents.

(b) It is advisable, but not mandatory, for an aggrieved party to submit a written complaint to the utility or pipeline carrier, and to retain a copy of all correspondence to document the facts, rather than to rely solely upon oral communications. If a complainant chooses to document the complaint, the complainant may furnish the commission with a copy for whatever value it may be if the complainant later files an informal complaint with the commission.

(c) The commission will try to resolve an informal complaint only if it appears that the complainant has, in fact, taken the complaint to the utility or pipeline carrier and

(1) the utility or pipeline carrier has not disposed of the complaint within a reasonable time to the satisfaction of the complainant;

(2) the complainant, or one authorized to speak on the complainant's behalf, specifically requests the commission to take appropriate informal action to resolve the complaint; or

(3) there is a substantial indication that the utility or pipeline carrier has violated a law, rule, or regulation administered by the commission, or that the utility or pipeline carrier has not complied with applicable provisions of its effective tariff.

(d) An informal complaint not acted upon by the commissioner will, nevertheless, be assigned a number, be filed, and be closed with a written statement furnished to the complainant summarizing the facts of the complaint and the reason it is closed.

(e) A party who is not satisfied with an informal resolution made by the commission's consumer protection section may file a request for action under the alternative dispute resolution procedures set out in 3 AAC 48.121 or under the formal complaint procedures set out in

3 AAC 48.130. In determining whether to grant the request, the commission will apply the good cause standard set out in 3 AAC 48.130(f). If the commission institutes a formal proceeding, the entire informal file will be transferred to the file of the formal proceeding as provided for under 3 AAC 48.060(g). (Eff. 1/13/73, Register 44; am 6/29/84, Register 90; am 5/5/2000, Register 154)

Authority: AS 42.04.080                    AS 42.05.151                    AS 42.06.140  
                  AS 42.05.141                    AS 42.06.055

**3 AAC 48.121. Alternative dispute resolution procedures.**

(a) A person may request alternative dispute resolution by petition if no adjudicatory proceeding is open, or by motion in an existing adjudicatory proceeding. An initiating order in an adjudicatory proceeding will specify the date by which a motion for alternative dispute resolution must be filed.

(b) Except for a dispute over an initial interconnection agreement filed under 47 U.S.C. 252 (Telecommunications Act of 1996), a telecommunications carrier may submit any dispute with another telecommunications carrier to the commission for resolution under this section.

(c) A petition or motion requesting alternative dispute resolution must contain

- (1) a description of the matter to be resolved;
- (2) the type of alternative dispute resolution procedure sought;
- (3) a request for the commission to appoint an administrative law judge or a statement that outside resources will be used;
- (4) a certification that the person attempted to negotiate the matter to be resolved before filing the petition or motion;
- (5) a statement that the person believes alternative dispute resolution has a reasonable potential of resolving disputed matters and the reasons supporting that belief;
- (6) an explanation of the anticipated effect of alternative dispute resolution on applicable timelines; and
- (7) a proposal for concluding the adjudicatory proceeding within applicable timelines.

(d) A petition for alternative dispute resolution must be served on those persons that will be involved in the alternative dispute resolution process. A motion in an existing adjudicatory proceeding must be served on all parties.

(e) A person served with a petition for alternative dispute resolution may file a response within 30 days after the date the petition is filed. A party served with a motion for alternative dispute resolution may file a response within 10 days after the date the motion is filed. The commission may order a person opposing alternative dispute resolution to participate in a one-day mediation session. A person opposing alternative dispute resolution is not

- (1) obligated to attend subsequent alternative dispute resolution sessions or to pay costs of alternative dispute resolution; and

(2) bound by the resolution of the matter achieved under this section.

(f) In determining whether a matter is suitable for alternative dispute resolution, the commission will consider the

(1) timing of the request relative to the ability of the participants to adequately prepare, whether parties to an existing adjudicatory proceeding are willing to waive applicable timelines, the effect of alternative dispute resolution on applicable timelines, and other factors that may make the request untimely; and

(2) complexity of the subject matter, if needed, availability of commission resources, and whether the absence of an interested person from the alternative dispute resolution process detrimentally affects the likelihood of resolving disputed issues.

(g) If the commission determines the matter is suitable for alternative dispute resolution, the commission will issue an order directing that the alternative dispute resolution proceeding be held and establishing guidelines for the proceeding. The participants may select the individual who will conduct the alternative dispute resolution proceeding and must notify the commission of their selection. If the individual selected is an administrative law judge, the commission will appoint the administrative law judge by order.

(h) The person assigned or appointed to conduct the alternative dispute resolution proceeding

(1) shall consult with the participants and establish procedures and schedules necessary to resolve the dispute, and may facilitate voluntary discovery;

(2) may with the consent of all participants engage in ex parte communications with individual participants; and

(3) may not preside over the underlying or subsequent adjudicatory proceeding unless the person assigned to conduct the alternative dispute resolution proceeding, all participants, and the commission consent in writing.

(i) A schedule adopted under (h)(1) of this section must allow the commission 30 days to consider and rule upon the proposed resolution of disputed issues. The commission will issue its decision within 30 days, unless it extends the time for good cause. The commission may accept or reject the proposed resolution of the dispute or may require additional proceedings.

(j) A participant in an alternative dispute resolution proceeding may withdraw from the proceeding by filing a notice of withdrawal with the commission. The notice must be served on all participants in the alternative dispute resolution proceeding and all parties in the underlying adjudicatory proceeding, if any. If a notice of withdrawal is filed by a participant in an alternative dispute resolution proceeding, the commission may reevaluate the suitability of the matter for alternative dispute resolution under (f) of this section.

(k) Evidence of conduct or statements in an alternative dispute resolution proceeding is not subject to discovery and is not admissible in adjudicatory proceedings before the commission.

(l) If a proposed resolution achieved through alternative dispute resolution is not accepted by the commission, any evidence of comments or statements made on that proposed resolution is not admissible in adjudicatory proceedings before the commission.

(m) The participants may use commission meeting or hearing rooms for alternative dispute resolution, subject to commission priorities.

(n) The commission may assess participants a share of the costs of the alternative dispute resolution proceeding.

(o) If a party to an informal complaint is not satisfied with the resolution of the complaint under 3 AAC 48.120, the party may request alternative dispute resolution of the issues addressed in the informal complaint rather than pursue a formal complaint under 3 AAC 48.130. The commission may order alternative dispute resolution after evaluating the factors stated in (f) of this section and the ability of each party to effectively participate in alternative dispute resolution.

(p) In this section, "alternative dispute resolution"

(1) includes conciliation, facilitation, early neutral evaluation, fact finding, mini-trial, and mediation; and

(2) does not include arbitration. (Eff. 5/5/2000, Register 154; am 8/31/2008, Register 187)

Authority:	AS 42.04.050	AS 42.05.141	AS 42.06.055
	AS 42.04.070	AS 42.05.151	AS 42.06.140
	AS 42.04.080		

**3 AAC 48.130. Formal complaints, protests and investigations.** (a) A formal complaint or protest shall be in writing and should

(1) be so drawn as to fully inform the respondent or respondents and the commission as to how applicable provisions of the utility's or pipeline carrier's effective tariff or of the governing law, rules, regulations, or order of the commission have been, are being, or will be violated by the acts or omissions in question;

(2) set forth concisely, and in plain language, the facts and circumstances on which the complaint or protest is predicated;

(3) state the relief sought by the complainant;

(4) comply with 3 AAC 48.090 — 3 AAC 48.100.

(b) The commission may allow a formal complaint or protest to be supplemented because of facts arising subsequent to the original filing.

(c) Unless the commission orders otherwise, the answer to a complaint or protest shall be filed 20 days from the filing date of the complaint. Formal complaints or protests will be set for hearing at the earliest convenience of the commission, unless notice of satisfaction of the complaint, by answer or otherwise, is received by the commission within 20 days after the complaint or protest is filed. If satisfaction of the complaint has been made, the commission will notify the complainant or protestant thereof and take appropriate action thereon.

(d) Two or more grounds of complaint or protest concerning the same subject matter may be included in one pleading, but should be

stated and numbered separately. Two or more complainants or protestants may join in one pleading if their respective causes of action are against the same person, and deal with substantially the same alleged tariff infraction or violation of a law, rule, regulation or order of the commission.

(e) If a complaint or protest is made concerning a utility or pipeline carrier operated by a receiver or trustee, both the utility and its receiver or trustee must be named as respondents in cases involving the utility or pipeline carrier.

(f) A formal investigation will not be instituted on complaint, except for good cause shown to the commission's satisfaction by the complainant. The commission will rule on whether good cause exists to institute an investigation within 30 days after an answer to the complaint has been filed with the commission as provided for under (c) of this section. The commission will extend that deadline if amended or supplemental pleadings are filed. In that event, the deadline for commission ruling is 30 days after the final amended or supplemental pleading is filed.

(g) If a formal investigation or "show cause" proceeding is instituted by the commission on its own motion, the order instituting the investigation or proceeding shall clearly state the facts, circumstances, and allegations on which it is predicated.

(h) If a formal investigation is instituted under (f) or (g) of this section, the commission will rule on the matter within 60 days after the hearing is concluded or the evidentiary record is closed, whichever occurs later.

(i) The commission will extend the period for action set out in (h) of this section for good cause. The commission will set out its findings on good cause in an order extending that period. (Eff. 1/13/73, Register 44; am 6/29/84, Register 90; am 5/5/2000, Register 154)

Authority:	AS 42.04.080	AS 42.05.151	AS 42.06.055
	AS 42.05.141	AS 42.05.271	AS 42.06.140

**3 AAC 48.140. Conferences.** (a) Informal conferences of the parties involved in an informal complaint or formal proceeding or of their authorized representatives may be held at any time to provide opportunity for the settlement, adjustment, clarification or resolution of any issues or problems relating to any matter whatever. Informal conferences may be initiated by the parties or by the commission or members of its staff. Any decision, or agreement, resulting from an informal conference may, if necessary, be presented to the commission by an authorized spokesman for the conferees and the commission may take whatever action thereon it deems appropriate.

(b) Upon call by a presiding officer, on motion by any party, or on the commission's own initiative, a pre-hearing conference of the parties or their attorneys or authorized representatives may be held at any time to expedite the orderly conduct and disposition of a hearing. Any member of the commission may attend a pre-hearing conference, and

shall conduct the conference if elected to do so by the commission. Alternatively, the commission will appoint as chair of the pre-hearing conference a presiding officer, a hearing examiner, a hearing officer, an administrative law judge, an employee of the commission, or legal counsel representing the commission, and will direct that person to conduct and preside over the pre-hearing conference and report the results to the commission. If a pre-hearing conference is called while a hearing is in session with all parties either present or represented, oral notice of the time and place of the conference is sufficient. Otherwise, notice of the time and place of the conference must be given to each party, in writing, with due regard and consideration to the convenience of the parties.

(c) By direction of the presiding officer, a pre-hearing conference may be conducted on or off the record. In addition to any pertinent matter considered previously at an informal conference, each conferee will be encouraged to present any factual contentions and theories in support of the conferee's pleading or position in the proceeding and, in addition, to consider and, if possible, agree upon other matters including

- (1) the simplification, delineation, and limitation of matters involving issues of fact and questions of law;
- (2) the identification and numbering of exhibits;
- (3) the exchange and acceptance of service of exhibits, including exhibits containing written testimony proposed to be offered in evidence;
- (4) the obtaining of admission as to, or stipulation of, facts not remaining in dispute;
- (5) the necessity or desirability of amendments to pleadings for purposes of clarification, amplification, or limitation;
- (6) limitation of the number of witnesses;
- (7) the feasibility of consolidating the examination of witnesses;
- (8) the procedure of the hearing;
- (9) the possibility of settlement and the use of alternative dispute resolution; and
- (10) any other matter that may expedite the orderly conduct and disposition of the proceeding.

(d) Upon conclusion of a pre-hearing conference, the parties, their attorneys, or their authorized representatives shall reduce the results of the conference to the form of a written stipulation reciting the matters agreed upon. The written stipulation shall be filed with the commission in accordance with 3 AAC 48.095 and served on parties in accordance with 3 AAC 48.090(b) no later than 10 days after the date of the conference or at the beginning of the hearing that follows, whichever occurs first. Every stipulation must be

- (1) signed by the parties or by their attorneys or authorized representatives;
- (2) received in evidence as part of the evidentiary record; and

(3) binding on the parties with respect to the matters stipulated.

(e) If a pre-hearing conference is conducted on the record, and a transcript of it is ordered, it may, upon agreement of the conferees, be introduced in evidence at the hearing and be received as part of the evidentiary record. If the record of a pre-hearing conference is not introduced and received in evidence, all facts disclosed during the pre-hearing conference, except as set forth in a stipulation pursuant to (d) of this section, are privileged and, except by prior agreement, shall not be used against participating parties either before the commission or elsewhere unless fully substantiated by evidence. (Eff. 1/13/73, Register 44; am 6/29/84, Register 90; am 8/6/92, Register 123; am 3/21/2003, Register 165; am 8/31/2008, Register 187; am 2/16/2012, Register 201)

Authority: AS 42.05.141

AS 42.05.151

AS 42.06.140

**3 AAC 48.141. Scope of discovery.** A party may obtain discovery from another party regarding any matter, not privileged, that is relevant to the subject matter of the proceeding, if the matter is admissible in evidence under 3 AAC 48.154 or appears reasonably calculated to lead to the discovery of admissible evidence. Upon motion by a party the presiding officer may limit discovery otherwise obtainable if the moving party establishes that the burden and expense of the requested discovery outweighs its likely benefit. (Eff. 8/18/2013, Register 207)

Authority: AS 42.05.141  
AS 42.05.151

AS 42.05.671  
AS 42.06.140

AS 42.06.445

**3 AAC 48.142. Service of discovery.** Discovery requests and responses to discovery requests must be served electronically as provided in 3 AAC 48.090(b)(2), (4), and (5), unless electronic filing has been waived under 3 AAC 48.095(l). If electronic filing has been waived the parties shall determine how discovery is served. Responses to discovery requests may be shared among the parties by means other than electronic mail, if all parties agree. If the parties cannot agree on how discovery is served, the presiding officer will determine how discovery is served. Discovery requests and responses to discovery requests are not filed with the commission when served. (Eff. 8/18/2013, Register 207)

Authority: AS 42.05.141  
AS 42.05.151

AS 42.05.671  
AS 42.06.140

AS 42.06.445

**3 AAC 48.143. Discovery requests and responses.** (a) A party may obtain discovery from another party through interrogatories, requests for production, and requests for admission. A party may notice and conduct a deposition only upon agreement of all parties or with

permission of the presiding officer upon motion and a showing that the information sought cannot be efficiently obtained through a less burdensome form of discovery.

(b) A party from whom discovery is requested shall address each discovery request by answering the discovery request, furnishing the documents requested, objecting to the discovery request, or asserting privilege. A party responding to a discovery request shall identify in its response each person who supplied the information contained in the response.

(c) If a party objects to a discovery request, the party shall state the basis for the objection and the facts justifying the objection and respond to the discovery request to the extent the discovery request is not objectionable. If a party asserts privilege, the party shall specify the privilege and respond to the discovery request to the extent the response is not privileged.

(d) A party shall promptly amend or supplement its response to a discovery request if, during the proceeding, the party determines that the response was inaccurate or incomplete or finds additional information responsive to the discovery request. (Eff. 8/18/2013, Register 207)

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

**3 AAC 48.144. Discovery procedure.** (a) A party may obtain discovery from another party before a procedural schedule is established. After the presiding officer establishes a procedural schedule specifying discovery times, a party may request discovery only when permitted by the procedural schedule unless, upon motion and a showing of good cause, the presiding officer permits discovery outside the times established in the procedural schedule.

(b) In proceedings under AS 42.05 a party shall serve its response to a discovery request on all other parties not later than 10 days after service of the discovery request except that, if a discovery request concerns reply testimony, a party shall serve its response not later than seven days. The parties may agree to or the presiding officer may direct a shorter or longer time for response.

(c) In proceedings under AS 42.06 a party shall serve its response to a discovery request on all other parties not later than 30 days after service of the discovery request except that, if a discovery request concerns reply testimony, a party shall serve its response not later than 20 days. The parties may agree to or the presiding officer may direct a shorter or longer time for response.

(d) If a dispute arises concerning discovery, the requesting party and the party from whom discovery is requested shall confer in good faith to resolve the dispute before filing a motion concerning discovery.

(e) A requesting party receiving an objection to its discovery request may file a motion for an order compelling the objecting party to respond to the discovery request, if attempts to resolve the dispute

with the objecting party fail. A motion to compel discovery must describe the efforts made to resolve the discovery dispute. A party filing a motion to compel discovery shall attach the discovery request and all responses made to the discovery request.

(f) A party receiving a discovery request may file a motion for an order limiting the discovery requested if discussions with the requesting party to limit the discovery requested fail. A motion to limit discovery must describe the efforts made to resolve the discovery dispute. A party filing a motion to limit discovery shall attach the discovery request it seeks to limit.

(g) Any motion filed under 3 AAC 48.141 — 3 AAC 48.145 is a motion concerning discovery. The provisions of 3 AAC 48.091 apply to a motion concerning discovery except to the extent modified by 3 AAC 48.091(I).

(h) A party filing a motion concerning discovery shall include language stating that the motion concerns discovery and a response must be filed in five business days.

(i) The presiding officer shall rule on a motion concerning discovery. The presiding officer may require oral argument before ruling on a motion concerning discovery and may rule on the motion at the oral argument. (Eff. 8/18/2013, Register 207)

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

**3 AAC 48.145. Confidential discovery.** After notice to the other parties, a party may request that the presiding officer issue an order governing the production in discovery and use by parties of confidential information. A party expecting to produce confidential information in discovery shall request issuance of a confidentiality order. Upon request, the presiding officer shall issue a confidentiality order appropriate to the proceeding. The parties may agree on the terms of a confidentiality order and submit the proposed order to the presiding officer for issuance. (Eff. 8/18/2013, Register 207)

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

**3 AAC 48.150. Hearings.** (a) The commission shall give parties reasonable notice of a hearing or of the change in the date and place of a hearing and the nature of such hearing.

(b) Repealed 6/29/84.

(c) The person designated to conduct a hearing shall have authority, subject to possible contrary rulings by the commission

(1) to regulate the course and conduct of a hearing;

(2) to administer oaths and perform other functions set forth in AS 42.05.151(c);

(3) to rule upon offers of proof and receive evidence;

(4) to call and preside at pre-hearing conferences before a hearing, and informal conferences during a hearing;

(5) to dispose of procedural motions, requests and other similar matters, except a motion to dismiss a proceeding or any other motion that would be dispositive of a proceeding;

(6) to fix the time and order for filing and service of briefs; and

(7) to take any other action necessary and appropriate to the discharge of the presiding officer's duties, consistent with the statutory and other authority under which the commission functions.

(d) — (o) Repealed 6/29/84.

(Eff. 1/13/73, Register 44; am 6/29/84, Register 90)

Authority: AS 42.05.141

AS 42.05.151

AS 42.06.140(a)

**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 48.152. Consolidated hearings.** In hearings of several proceedings upon a consolidated record, the presiding officer shall designate who shall open or close. Intervenors shall follow the party named in the petition to intervene. If the intervenor is not an original party, the presiding officer shall decide the stage at which the intervenor will be heard. When two or more proceedings are heard at the same time and place, the proceeding having the lowest docket number must be heard first if all parties are ready. The presiding officer may direct a different order to suit the convenience of the parties. (Eff. 6/29/84, Register 90)

Authority: AS 42.05.141

AS 42.05.151

AS 42.06.140(a)

**3 AAC 48.153. Prefiled testimony.** (a) The written testimony of a witness in question form, or in narrative form if allowed by the commission for good cause shown in advance of the prefiling deadline, will, if directed by the commission, be presented instead of the witness' oral testimony. After an exhibit containing the witness' testimony has been properly identified and authenticated by the witness, under oath, it may be marked and introduced as an exhibit. Written testimony

must be as complete and accurate as if it were oral testimony, and it is subject to the same rules of evidence as if given orally. The witness shall be subject to cross-examination, and the presiding officer may require the testimony to be given orally. Written testimony may not be used unless it has either been filed and served on all parties the same as any other exhibit, or unless the parties have stipulated that it may be accepted by the commission at the hearing. A party who opposes the introduction of written testimony may make an oral or written protest, and the presiding officer, or the commission, will make an appropriate ruling on the matter. The commission will, in its discretion, require the presentation of written testimony instead of oral direct examination, if it considers that doing so would be conducive to a fair and expeditious disposition of the proceeding. A party objecting to such a requirement will be afforded an opportunity to be heard, and the commission will then ratify, revise, or rescind its action.

(b) Each page of prefiled testimony must be numbered at the bottom with consecutive Arabic numerals. Schedules, appendices, documents, or other attachments to prefiled testimony must be identified in the manner prescribed in 3 AAC 48.154(e). If any of these items contain more than one page, each page must be numbered at the bottom by consecutive Arabic numerals. (Eff. 6/29/84, Register 90)

Authority: AS 42.05.141

AS 42.05.151

AS 42.06.140(a)

**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 48.155. Rights and obligations of parties.** (a) Unless a party's rights are expressly limited by commission order, or a party or the party's authorized representative waives any right or rights, each party to an adjudicative proceeding has the right to

- (1) make an opening statement;
- (2) present an affirmative or direct case;
- (3) cross-examine witnesses of other parties and public witnesses;
- (4) object to the introduction or exclusion of testimony or other evidence;
- (5) argue points of law;
- (6) make a closing statement;
- (7) submit timely briefs; and
- (8) exercise all other rights commonly and ordinarily accruing to parties in administrative adjudicative proceedings, including, but not limited to, the right of discovery.

(b) Unless otherwise ordered, directed, or excused by the commission, a party to a proceeding has the duty or obligation to

- (1) respond to discovery;
- (2) meet all filing deadlines prescribed by the commission in a timely manner;
- (3) attend and participate fully in hearings or pre-hearing conferences, or other proceedings at the time scheduled by the commission;
- (4) be prepared to go forward with the presentation of its affirmative or direct case or with the examination or cross-examination of witnesses in a timely, reasonable, and professional manner;

(5) produce, in a timely manner, the documents, information or other data or materials required or requested by the commission;

(6) share in proportion, and timely pay, any costs allocated by the commission under AS 42.05.221, 42.05.401(b), 42.05.651 or AS 42.06.610, and 3 AAC 48.157.

(c) Unless otherwise ordered, directed, or excused by the commission, failure to meet or comply with commission requirements established by statute, regulation, or order may result in the forfeiture of any or all of a party's rights. (Eff. 6/29/84, Register 90)

<b>Authority:</b>	AS 42.05.141	AS 42.05.401	AS 42.06.140(a)
	AS 42.05.151	AS 42.05.651	AS 42.06.610
	AS 42.05.221		

**3 AAC 48.156. Hearing record.** (a) A tape recording will be made of the record of each hearing regardless of whether all or part of the record is also made with the aid of shorthand or stenotype notes. The hearing record will be made by a member of the commission staff designated for the purpose, by a professional reporter, or, in exceptional cases and by direction of the commission, by someone who is not a professional reporter. Unless otherwise directed by the commission, a transcript of all recorded proceedings will be prepared. The original typewritten transcript, along with the unerasable tape used to record the hearing, will be submitted to the commission. The transcript will be retained as the commission's permanent official record. Upon submission of the original transcript to the commission, the transcript becomes a public document subject to those statutes and regulations governing public access to and reproduction of public documents. Parties or individuals requesting copies or excerpts of a transcript before submission of the original transcript to the commission shall make arrangements with the reporter for this service. Transcripts will be numbered consecutively starting with page one in the first volume and ending with the last page in the last volume. If necessary to expedite the preparation of a daily transcript, it is permissible to skip page numbers between volumes but, in no event, may any volume after the first start with page one. References to the transcript in briefs, orders, etc., must be to the official transcript prepared by the court reporter and by the abbreviation, in parentheses, "Tr." followed by the page, or pages, of the transcript to which reference is made. Reference to volume numbers need not be made, but is not prohibited. The commission will, in its discretion, initially pay the entire cost for recording a hearing as well as the cost for production of the original transcript, but later will allocate all or part of the cost to the parties under AS 42.05.651 or AS 42.06.610.

(b) A tape used to record a hearing may not be released by the commission or the court reporter to any party for the preparation of an unofficial transcript. Excerpts from a tape recording of a hearing may be prepared only by the commission or the court reporter.

(c) Certified copies of a transcript may be obtained only from the court reporter or from the commission. (Eff. 6/29/84, Register 90)

Authority: AS 42.05.141                      AS 42.05.651                      AS 42.06.260  
                    AS 42.05.151                      AS 42.06.140(a)                      AS 42.06.610

**3 AAC 48.157. Allocation of costs.** (a) After each hearing or investigation in which costs allocable under AS 42.05.221, 42.05.401(b), 42.05.651, or AS 42.06.610 have been incurred and the commission decides to allocate those costs to a party or the commission, the commission will enter a cost allocation order, with appropriate discussion and findings, which includes

- (1) a summary of all the allocable expenses incurred by the commission, whether paid or not;
- (2) the beginning and ending dates of the hearing or investigation;
- (3) the identification of each party that entered an appearance;
- (4) the amount allocated to each party and to the commission itself;
- (5) if applicable, the identification of each party to whom no cost has been allocated, and the reason;
- (6) if applicable, the reason the commission has decided, in its discretion, to assume all the costs.

(b) Except as provided in AS 42.05.401(b), the commission will, in its discretion, if it has the money, initially pay all the expenses incurred by it in connection with a hearing or investigation. If for budgetary reasons it does not have money to pay all the expenses initially, the commission will, in its discretion, postpone the hearing or investigation until it does have the money or make alternative arrangements with the parties to pay the expenses directly so that the hearing or investigation may continue. The allocable expenses of a proceeding include, but are not limited to,

- (1) the time fee of the reporter and the fee for preparation of any transcript;
- (2) the fees and expenses of consultants employed by the commission;
- (3) the fees, expenses, or salary of an administrative law judge or hearing officer employed or contracted by the commission;
- (4) the fees, expenses, or salary of legal counsel employed or contracted by the commission;
- (5) any charge incurred for a hearing room other than the commission's own hearing room;
- (6) the per diem and transportation costs incurred by the commission;
- (7) other documented out-of-pocket expenses such as telephone calls, mailing, and copying charges.

(c) The mere filing of a written or oral protest or statement of interest, or the voluntary offering of written or oral testimony at the request of the commission or of an acknowledged participant in a

proceeding, is not participation of such magnitude or extent as to subject the person who made the filing or offered the testimony, to the assessment of an allocated share of the proceeding.

(d) If a party takes an active part in a hearing or investigation by way of cross-examination of witnesses or by requesting service of copies of pleadings briefs, exhibits, etc., that party may be required to bear a just share of the special costs which the commission considers to be directly allocable under AS 42.05.221, 42.05.401(b), 42.05.651, or AS 42.06.610 to the party's participation in the hearing, investigation, or other proceedings.

(e) A person who successfully petitions for intervention in a proceeding, or by any other means leads the commission or the other parties to believe he or she will be an active party in the proceeding, will be considered an active party up to the time the party signifies in writing to the commission, with service on the other parties, an intention to withdraw from active participation in the proceeding. (Eff. 6/29/84, Register 90; am 10/10/96, Register 140)

<b>Authority:</b>	AS 42.05.111	AS 42.05.254	AS 42.06.140(a)
	AS 42.05.141	AS 42.05.401	AS 42.06.286
	AS 42.05.151	AS 42.05.651	AS 42.06.610
	AS 42.05.221		

**3 AAC 48.159. Standards of conduct—Hearing decorum.**

(a) Hearings before the commission must be conducted with fitting dignity and decorum. Conduct amounting to contempt at a public hearing is grounds for exclusion from the hearing and for summary suspension for the contemptuous person, without a hearing, for the duration of the hearing.

(b) Except as ordered otherwise by the commission, there shall be free access for the news media to all public hearings as long as the media exercise discretion and good judgment in their conduct.

(c) Smoking is not permitted at a formal hearing or prehearing conference while it is in session but will, in the commission's discretion, be permitted during recesses outside the hearing room. (Eff. 6/29/84, Register 90)

<b>Authority:</b>	AS 42.05.141	AS 42.05.151	AS 42.06.140(a)
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**3 AAC 48.160. Briefs.** (a) The commission or the presiding officer will fix the time for the filing and service of briefs with due regard to the immediacy of the decision size of the record, and the nature, complexity, and importance of the proceeding or of the issues involved. The commission or the presiding officer will, in their discretion, decide the order in which briefs will be filed and any limitation on the number of pages that may be contained in a brief.

(b) Except as otherwise provided in this section, briefs must be submitted in compliance with the provisions of 3 AAC 48.090 —

3 AAC 48.100, including requirements dealing with heading, caption, size of paper, typing, margins, number of copies, and proof of service.

(c) The commission or the presiding officer will, in their discretion, require the parties and their counsel or other authorized representatives to present their arguments and authorities orally at the close of the hearing instead of by written brief.

(d) Requests for extension of time in which to file briefs shall be in writing and be served upon all parties of record, or upon their attorneys or authorized representatives, and be submitted to the commission at least five days before the date fixed for filing the briefs.

(e) Every brief shall contain

(1) a table of contents and subject index with page references;

(2) a list of all cases and authorities cited, arranged alphabetically, with page references;

(3) a concise statement of

(A) the nature and history of the proceeding;

(B) the questions to which the brief is directed;

(C) the facts relied upon with references to the testimony and exhibits cited;

(4) the argument under as many appropriate headings as there are major points argued.

(f) If a brief is addressed to a question of law, it shall, in addition to complying with (e) of this section, contain a discussion of the points of law presented with citations of authorities and a conclusion containing a brief summary and prayer.

(g) Lengthy quotations from the record or from authorities should not be included in the body of a brief, but may be included in an attached appendix designated as "Appendix 'A,' 'B,' 'C'" etc., with an appropriate title.

(h) Exhibits may be analyzed, but should not be reproduced in the body of a brief; however, if desired, they may be reproduced and attached as an appendix to a brief. (Eff. 1/13/73, Register 44; am 6/29/84, Register 90)

Authority: AS 42.05.141

AS 42.05.151

AS 42.06.140(a)

**3 AAC 48.165. Hearings assigned to administrative law judge or hearing officer.** (a) The commission will, in its discretion, assign a proceeding under AS 42.06 to an administrative law judge or hearing officer, or a proceeding under AS 42.05 to a hearing officer, for hearing and proposed decision. The assignment will be made by order.

(b) Unless specifically ordered otherwise by the commission, in an assigned proceeding an administrative law judge or hearing officer will have all powers which the commission possesses, including ruling on discovery and other prehearing matters, holding prehearing conferences in accordance with 3 AAC 48.140, conducting hearings in

accordance with 3 AAC 48.150(c) and 3 AAC 48.151, and ordering briefing in accordance with 3 AAC 48.160.

(c) The administrative law judge or hearing officer shall render a proposed decision in writing unless the commission orders that the entire record be certified to the commission for a decision. The administrative law judge or hearing officer shall issue the proposed decision within 60 days after the hearing is concluded or the evidentiary record is closed, whichever occurs later, unless good cause exists to extend that deadline. Findings of good cause must be set out in an order extending that deadline.

(d) A party has 30 days after issuance of the proposed decision to comment on the decision. A party disagreeing with the proposed decision shall list the findings or conclusions to which the party takes exception, the reasons why the party takes exception, and the portions of the record by title and page number that the party believes the commission must review in order to evaluate the party's comments.

(e) The commission will consider the proposed decision of the administrative law judge or hearing officer and any comments received on the proposed decision and will issue an order accepting, modifying, or rejecting the proposed decision. The commission will issue its order within 60 days after the deadline for comments on the proposed decision as provided for in (d) of this section, unless good cause exists to extend that deadline. The commission will set out its findings on good cause in an order extending that deadline.

(f) An administrative law judge or hearing officer, at the request of a party or on the judge's or hearing officer's own motion, may certify a question to the commission for decision at any time during a proceeding when it appears to the judge or hearing officer that a novel or unsettled issue of law or policy is involved in the question or that a decision by the commission during the proceeding will simplify or shorten the proceeding. A copy of the certification will be served on all parties. The administrative law judge or hearing officer will set a schedule for briefing the question to the commission, giving consideration to the elements contained in 3 AAC 48.160. The commission will, in its discretion, decide the question or decline to consider it. If the commission does not act within 30 days after the filing of the last brief on the question, unless that time is extended by the commission, the question will be considered to have been declined. (Eff. 6/29/84, Register 90; am 5/5/2000, Register 154)

**Authority:** AS 42.04.050  
AS 42.04.070  
AS 42.04.080

AS 42.05.141  
AS 42.05.151

AS 42.06.055  
AS 42.06.140

**3 AAC 48.166. Stipulations.** Parties may stipulate among themselves to the disposition of a proceeding or to the disposition of outstanding issues in a proceeding by written agreement filed with the

commission or by oral statement presented on the record. The parties are bound by the terms of the stipulation if the commission accepts it. The parties may present a statement of the facts supporting the stipulation. The commission is not bound to adopt a stipulation by the parties. The commission will, in its discretion, require evidence to support a finding that the stipulation is in the public interest and consistent with controlling law. If the commission rejects a stipulation, the commission will, in its discretion, provide an additional opportunity for the parties to present evidence and arguments on the subject matter of the rejected stipulation. The commission will rule on a stipulation within 30 days after it is filed with the commission, unless that time is extended for good cause. The commission will set out findings on good cause in an order extending that deadline. (Eff. 5/5/2000, Register 154)

Authority: AS 42.04.080 AS 42.05.171 AS 42.06.055  
AS 42.05.141 AS 42.05.191 AS 42.06.140  
AS 42.05.151

**3 AAC 48.168. Concurrent hearings.** (a) In hearings held concurrently with another governmental agency the commission, through its presiding officer designated to preside at the concurrent hearings, will, in its discretion, allow variance from the procedures set out in 3 AAC 48.151 — 3 AAC 48.160 to facilitate the conduct of the concurrent hearings. The presiding officer will state on the record of the hearing the variances allowed, the citation to the regulations being varied, and the reason for allowing the variance.

(b) To facilitate the conduct of concurrent hearings, the commission may vary any provision of 3 AAC 48 by order stating the reason for the variance. (Eff. 6/29/84, Register 90)

Authority: AS 42.04.050 AS 42.05.151 AS 42.06.140  
AS 42.05.141

**Editor's note:** As of Register 170 (July 2004), the regulations attorney made technical revisions under AS 44.62.125(b)(6) to correct authority citations for 3 AAC 48.168.

**3 AAC 48.170. Ethical standards, violations.** (a) Any person transacting business with the commission shall maintain at all times the respect due the commission, its presiding officers, legal counsel and its staff and shall never knowingly, by artifice, misstatement or silence, lead or allow them to believe in a false factual or legal proposition relevant to the discharge of their responsibilities. Members of the legal, accounting, financial and engineering professions shall also comply with the ethical standards of their respective professions.

(b) Depending upon the gravity of the violation and the source of responsibility for it, a violation of ethical standards may result in

(1) preclusion from further participation of the party or the

party's authorized representative in the proceeding in which the infraction occurs or in any other proceeding before the commission;

(2) referral of the violation to the appropriate professional body or public authority for disciplinary action;

(3) a finding of unfitness of an applicant or utility or pipeline carrier with consequent revocation, suspension, or denial of operating authority; or

(4) the imposition of any sanction appropriate to the offense and consistent with law. (Eff. 1/13/73, Register 44; am 6/29/84, Register 90)

Authority: AS 42.05.141                      AS 42.05.151                      AS 42.06.140(a)

**3 AAC 48.180. Public meetings.** Subject to the exceptions in AS 44.62.310 and AS 42.05.161, meetings of the commission are public. (Eff. 6/27/92, Register 122)

Authority: AS 42.05.141                      AS 42.05.161                      AS 44.62.310  
AS 42.05.151                      AS 42.06.140(a)                      AS 44.62.312

**3 AAC 48.181. Types and scheduling of public meetings.**

(a) Unless otherwise noticed under 3 AAC 48.182, regular public meetings will be held by the commission twice a month on dates set by the commission at 9:00 a.m. in the commission's offices in Anchorage.

(b) A special public meeting will be held by the commission when necessary to conduct official business on any matter that requires action by the commission before the next regular public meeting of the commission. Unless otherwise noticed under 3 AAC 48.182, a special public meeting of the commission will begin at 9:00 a.m. in the commission's offices in Anchorage. The number of special public meetings will be kept to a minimum.

(c) An emergency public meeting will be held by the commission when the commission determines it is necessary to conduct official business on any matter that requires action by the commission on an expedited basis. The number of emergency public meetings will be kept to a minimum. (Eff. 6/27/92, Register 122; am 11/10/96, Register 140)

Authority: AS 42.05.141                      AS 42.05.161                      AS 44.62.310  
AS 42.05.151                      AS 42.06.140                      AS 44.62.312

**3 AAC 48.182. Notice of public meetings.** (a) Reasonable public notice will be given by the commission as provided in this section for all public meetings of the commission.

(b) Notice of a regular or special public meeting will be published by the commission in a newspaper of general circulation in the area where the meeting will be held and teleconferenced. Notice will also be posted at the commission's offices. Notice of a regular and special meeting will include the date, time, and place of the meeting; general topics to be

discussed or considered; and the location of any teleconferencing facilities that will be used.

(c) Notice of an emergency public meeting will be published by the commission as provided for under (b) of this section if the commission determines that sufficient time is available. Otherwise, notice of an emergency public meeting will be posted by the commission on the public notice board at the commission's offices and will include the date, time, and place of the meeting; general topics to be discussed or considered; and location of any teleconferencing facilities that will be used. Reasonable attempts will be made in writing or by telephone by the commission to provide notice to known interested persons on the topics scheduled for the emergency public meeting.

(d) Notice of each public meeting will be recorded on the commission's public meeting recording and will include date, time, and place of the meeting and general topics to be discussed or considered at that meeting. (Eff. 6/27/92, Register 122)

Authority: AS 42.05.141 AS 42.06.140(a) AS 44.62.310(e)  
AS 42.05.151

**3 AAC 48.183. Public meeting agendas.** (a) In addition to the notice provisions of 3 AAC 48.182 for public meetings of the commission, an agenda of each public meeting of the commission will be printed and available for public inspection and copying at the commission's offices.

(b) The commission will deliver by hand, by United States mail or a similar delivery service, or by electronic mail a copy of an agenda to each known participant in a proceeding listed on the agenda and to each agenda subscriber as provided under (e) of this section.

(c) A copy of an agenda of each regular public meeting and of each special public meeting will be available and mailed by the commission at least one week before the scheduled date of the meeting.

(d) A copy of an agenda of an emergency meeting will be mailed by the commission as soon as the agenda is available, but by no later than one week after the scheduled date of the emergency meeting.

(e) A subscription to public meeting agendas is available from the commission at cost set by the commission. (Eff. 6/27/92, Register 122; am 2/16/2012, Register 201)

Authority: AS 42.05.141 AS 42.05.151 AS 42.06.140

**3 AAC 48.184. Procedures at meetings.** A public meeting of the commission will be conducted in accordance with the 1990 Edition of *Robert's Rules of Order Newly Revised*. (Eff. 6/27/92, Register 122)

Authority: AS 42.05.141 AS 42.05.151 AS 42.06.140(a)

**Editor's note:** The 1990 edition of *Robert's Rules of Order Newly Revised*, mentioned in 3 AAC 48.184, was published by Scott, Foresman and Company, Glenview, Illinois. Copies of this publication may be obtained from most bookstores. This publication may also be reviewed at most public libraries.

**3 AAC 48.185. Voting at public meetings.** The use of proxy votes by commission members is prohibited at public meetings. The votes of commission members will be recorded by the commission. (Eff. 6/27/92, Register 122)

**Authority:** AS 42.05.141 AS 42.06.140(a) AS 44.62.310(a)  
AS 42.05.151

**3 AAC 48.186. Public participation.** The commission will, in its discretion, allow public participation at public meetings. No public testimony or participation will be allowed by the commission regarding an adjudicatory matter pending before the commission. (Eff. 6/27/92, Register 122)

**Authority:** AS 42.05.141 AS 42.05.151 AS 42.06.140(a)

**3 AAC 48.187. Meeting record.** (a) Each public meeting will be tape recorded by the commission. The recording will serve as the commission's official record of the public meeting. The recording will be retained for a period of five years in accordance with the commission's records retention schedule approved under AS 40.21.030.

(b) A transcript of a public meeting will not be prepared by the commission unless specifically ordered by the commission or requested by an interested member of the public. The person who requests a transcript shall bear the cost of its preparation. If a transcript is ordered or requested, it will be prepared in accordance with the provisions of 3 AAC 48.156. The original transcript, tapes, and exhibits will be delivered to the commission.

(c) A person who requests a copy of a tape or a transcript shall pay for the cost of preparing that copy, as set by the commission. (Eff. 6/27/92, Register 122)

**Authority:** AS 42.05.141 AS 42.05.151 AS 42.06.140(a)

**3 AAC 48.188. Deliberations on adjudicatory matters conducted in a public forum.** The commission will, in its discretion, conduct deliberations on adjudicatory matters in public. Deliberations on adjudicatory matters conducted in public are not subject to the provisions of 3 AAC 48.180 — 3 AAC 48.187. (Eff. 6/27/92, Register 122)

Authority: AS 42.05.141 AS 42.06.140(a) AS 42.62.310(d)  
AS 42.05.151

**3 AAC 48.190. Official record.** The official record of each proceeding before the commission is a paper printing of the electronic file. The official record includes any paper documents or exhibits filed in accordance with this chapter that have not been scanned into the commission's electronic filing systems. (Eff. 2/16/2012, Register 201)

Authority: AS 42.05.141 AS 42.05.151 AS 42.06.140

**Article 2. Utility and Pipeline Tariffs.**

<b>Section</b>	<b>Section</b>
200. Scope of regulations	330. Format of tariff sheets
210. (Repealed)	340. Tariff sheet designation
220. Filing of tariff	350. Separate tariff for each utility
230. Billing and contract forms	360. General arrangement and content of tariff
240. Delivery of tariff	370. Content of rules and regulations
250. Tariff on file for public inspection	380. Content of rate schedules
260. Public notice of utility tariff inspection privilege	390. Provisions of special contract
270. Advice letters	400. Adoption notice
274. Pipeline carrier initial rate filings	410. Tariff of acquired utility or pipeline carrier
275. Supporting information	420. Uniform deposit practices
277. Uniform system of accounts	425. Depreciation practices for local exchange carriers
280. Notice and effective date	430. Jurisdictional separations
290. Response to notice	440. Rates for interexchange access
300. Waiver of statutory notice	442. Delayed implementation of regulatory provisions relating to DEM weighting
310. Suspension and rejection of tariff filings	
315. Telecommunications utility rate reductions	
320. Effective tariff controlling	

**3 AAC 48.200. Scope of regulations.** Except as provided in 3 AAC 48.450 — 3 AAC 48.490, the provisions of 3 AAC 48.200 — 3 AAC 48.442 cover the construction, preparation, content, filing, posting, and publication of utility and pipeline tariffs, including special contracts. (Eff. 11/16/73, Register 48; am 6/29/84, Register 90; am 1/9/2009, Register 189)

Authority: AS 42.05.141 AS 42.06.140 AS 42.06.390  
AS 42.05.151 AS 42.06.350

**3 AAC 48.210. Waivers.** Repealed 6/29/84.

**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 a utility 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 shall include as part of its application any tariff revisions that may be required and a statement justifying the applicability of its existing tariff in the new service area. 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; am 4/24/2009, Register 190)

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 48.230. Billing and contract forms.** (a) Each utility shall transmit to the commission, by advice letter, 11 copies of every billing and contract form, other than special contracts, that are used routinely in its operations and relate directly to the provision of utility service to the public. Forms relating to non-utility functions are excluded. One copy, with the commission's date of receipt stamped on it, will be returned to the utility to evidence its compliance with this subsection. If any previously filed form is changed, copies of the revised forms must be transmitted to the commission promptly. A utility may incorporate the forms required to be filed by this subsection in its tariff instead of submitting them separately by advice letter.

(b) Every billing and contract form shall be consistent with the utility's effective tariff at the time it is filed with the commission and shall be changed if necessary to reflect changes in the utility's effective tariff. (Eff. 11/16/73, Register 48; am 6/29/84, Register 90; am 8/6/92, Register 123)

Authority:	AS 42.05.141	AS 42.05.371	AS 42.05.391
	AS 42.05.151		

**3 AAC 48.240. Delivery of tariff.** (a) No tariff or tariff revision filed by a utility or pipeline carrier will be accepted for filing unless it is delivered to the commission free of all delivery charges or claims no later than 4:30 p.m. of a regular business day.

(b) A tariff is not considered to have been delivered until the commission receives reimbursement for any delivery charges. The proposed effective date must be clearly indicated by the utility or pipeline carrier in the tariff advice letter. The commission will enter the effective date on each tariff sheet. A tariff filing will be rejected if the proposed effective date is more than 90 days after the date it is delivered to the commission, except as specifically authorized by the commission on request of a utility or pipeline carrier, or except in the case of an initial pipeline tariff.

(c) Tariff filings delivered after 4:30 p.m. on a regular business day, or on a Saturday, Sunday, or legal holiday for Alaska state offices, will

be stamped as having been delivered on the commission's next regular business day. The day after the delivery date will be counted as the first day of the period of notice to the commission in accordance with AS 01.10.080. Every Saturday, Sunday, or legal holiday during the succeeding 29, 44, or 89 days, whichever is applicable, will be counted as part of the notice period, except that if the notice period ends on a Saturday, Sunday, or legal holiday, the notice period will be extended to the end of the commission's next regular business day. (Eff. 11/16/73, Register 48; am 6/29/84, Register 90)

<b>Authority:</b> AS 42.05.141 AS 42.05.151 AS 42.05.361	AS 42.05.411 AS 42.06.140(a)	AS 42.06.350 AS 42.06.390
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**3 AAC 48.250. Tariff on file for public inspection.** (a) Each utility or pipeline carrier shall maintain in its tariff a list of the locations at which it keeps a copy of its tariff available for public inspection.

(b) A utility or pipeline carrier may not refuse to permit anyone to inspect any of its effective tariffs during regular business hours. A utility or pipeline carrier may not require anyone to provide a reason for inspecting the tariff as a prerequisite to the inspection.

(c) A copy of 3 AAC 48.200 — 3 AAC 48.430 must be made available to the public for inspection at each place where a utility or pipeline carrier maintains a complete up-to-date copy of its tariff on file for public inspection as required by this section. (Eff. 11/16/73, Register 48; am 6/29/84, Register 90)

<b>Authority:</b> AS 42.05.141 AS 42.05.151	AS 42.05.361 AS 42.06.140(a)	AS 42.06.350 AS 42.06.390
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**3 AAC 48.260. Public notice of utility tariff inspection privilege.** (a) At each place where a utility keeps an up-to-date copy of its tariff on file for public inspection, it must permanently post a sign reading as follows:

A COMPLETE, UP-TO-DATE FILE OF THE PRESENTLY EFFECTIVE RATES, CHARGES, RULES AND REGULATIONS, OF (here insert exact legal name of utility in full) IS AVAILABLE HERE FOR INSPECTION, ON DEMAND, BY ANY MEMBER OF THE GENERAL PUBLIC DURING REGULAR BUSINESS HOURS WITH NO REQUIREMENT FOR A REASON FOR THE INSPECTION. A REPRESENTATIVE OF THIS UTILITY ON DUTY IN THIS OFFICE WILL LEND ASSISTANCE IN SECURING INFORMATION FROM THE TARIFF.

(b) The sign required by (a) of this section must

(1) be no smaller in size than eight and one-half inches by 11 inches;

(2) be printed or plainly typed in large bold letters;

(3) be posted in a conspicuous place, readily accessible to the

public, where it can be easily seen and read by anyone interested.  
(Eff. 11/16/73, Register 48; am 6/29/84, Register 90)

Authority: AS 42.05.141 AS 42.05.151 AS 42.05.361

**3 AAC 48.270. Advice letters.** (a) Every tariff filing required by 3 AAC 48.200 — 3 AAC 48.430, except filings directly related to applications for new or amended certificates of public convenience and necessity, must be transmitted to the commission by a consecutively numbered original advice letter and 10 copies. Advice letters may be on either letterhead or plain paper, but must be eight and one-half inches by 11 inches, must contain the exact legal name and return address of the filing utility or pipeline carrier, and must be in substantially the following form:

Tariff Advice Letter No. ....  
(Date; also return  
address if not shown  
on letterhead.)

Regulatory Commission of Alaska  
(Anchorage, Alaska office address)

**Commissioners:**

The tariff filing described below is transmitted to you for filing, in compliance with the Alaska Public Utilities Regulatory Act (or the Pipeline Act, as applicable) and 3 AAC 48.200 — 3 AAC 48.430. (List here the tariff sheets that are being filed, substantially in the form shown below.)

Tariff Sheet Number		Cancels Sheet Number		Schedule or Rule Number
Original	Revised	Original	Revised	

(Insert here a statement setting out 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. If the filing is for a new service; will not increase any rate or charge, result in the termination of an existing service, or conflict with any other schedule or rate; or will not in any other way adversely affect customers, shippers, or the public, insert a statement to that effect. If the filing is based upon a comprehensive study, submit a copy of the study or the working papers used by the utility or pipeline carrier.

When a special contract is filed, name the signatories to it; give the date of execution; briefly outline the provisions of the contract; and state the reason the customer was not required to take service under an existing tariff schedule or an appropriate revision of it, designed to accommodate the customer and all others similarly situated. If a commission order is in any way involved, cite it also.

Specify the exact date on which the utility or pipeline carrier wishes the entire filing to take effect. If a utility or pipeline carrier wishes a tariff filing, or any designated part of it, to take effect in less than the period prescribed by statute, conclude the advice letter with a state-

ment of the reason, in sufficient detail, to support a finding by the commission that “for good cause shown the filing should be allowed to take effect before the end of the statutory notice period.” If interim approval of a tariff filing is requested, that request must also be set out in the tariff advice letter.)

Very truly yours,  
(Exact Legal Name of Utility or  
Pipeline Carrier in Capital  
Letters)

(Name of Representative Authorized  
To Issue Tariffs of Utility or  
Pipeline Carrier)

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(Title)

(b) Tariff sheets filed to comply with a commission order must bear the following notation to the left of the word “Effective”: “Issued to comply with Order No. \_\_\_\_\_ of the Regulatory Commission of Alaska in Docket No. \_\_\_\_\_ — \_\_\_\_\_ — \_\_\_\_\_, dated \_\_\_\_\_.” (Eff. 5/9/75, Register 54; am 6/29/84, Register 90; am 8/6/92, Register 123; am 4/24/2004, Register 170)

<b>Authority:</b> AS 42.05.141	AS 42.06.140	AS 42.06.380
AS 42.05.151	AS 42.06.350	AS 42.06.390
AS 42.05.411	AS 42.06.360	

**3 AAC 48.274. Pipeline carrier initial rate filings.** (a) Each filing with the commission of an initial pipeline tariff rate for a newly constructed pipeline or a pipeline not previously regulated under AS 42.06 must include

- (1) a statement of assets, liabilities, and other credits as of the beginning of the calendar or fiscal year following the projected commencement of regulated pipeline operation;
- (2) a statement of annual income and operating expenses as of the beginning of the calendar or fiscal year following the projected commencement of regulated pipeline operation;
- (3) a statement of the pipeline carrier’s equity position to include capital stock, retained earnings, owner’s equity, or fund balances for the beginning of the calendar or fiscal year following the projected commencement of regulated pipeline operation;
- (4) a schedule showing the calculation of the initial rates;
- (5) a schedule showing the computations of the revenue requirement for the calendar or fiscal year following the projected commencement of regulated pipeline operation;
- (6) a schedule showing estimated operating revenues and expenses for the calendar or fiscal year following the projected commencement of regulated pipeline operation;
- (7) a schedule showing the computation of the pro forma provision

for income taxes for the calendar or fiscal year following the projected commencement of regulated pipeline operation;

(8) a schedule showing the computation of rate base using the initial balances of all rate base components;

(9) a summary of

(A) pipeline plant and depreciation for the first calendar or fiscal year following the projected commencement of regulated pipeline operation, showing plant in service;

(B) depreciation expense for each plant account;

(C) the depreciation method;

(D) asset life; and

(E) net salvage value used for computing depreciation expense and the beginning-of-year balance of each plant account and the related account for accumulated depreciation;

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

(11) a schedule showing the computation of weighted cost of capital, separately delineating

(A) the percentage amount and embedded cost of debt;

(B) the percentage amount and rate of return on equity; and

(C) the resultant returns on the rate base computed in (8) of this subsection;

(12) a schedule showing all liabilities of long-term debt at the beginning of the calendar or fiscal year following the projected commencement of regulated pipeline operation, including

(A) a description of each obligation;

(B) the nominal date of issue;

(C) the date of maturity;

(D) the authorized face amount; and

(E) a computation of embedded cost of debt used in (11) of this subsection; and

(13) prefiled direct testimony complying with 3 AAC 48.153 that supports the information filed with the application, and a list of the witnesses filing testimony.

(b) A pipeline carrier seeking to collect funds to dismantle or remove pipeline facilities or restore rights-of-way in rates filed in accordance with (a) of this section must provide

(1) a copy of all documents imposing an obligation to dismantle or remove pipeline facilities or restore rights-of-way;

(2) a detailed study supporting estimated costs to dismantle and remove the pipeline facilities and restore rights-of-way, and the work papers supporting the study;

(3) a schedule of cumulative projected fund balance by year, including projected collections, expenditures, earnings, and any effect of income taxes on the fund's projected earnings;

(4) an explanation of proposed fund management; and prefiled direct testimony complying with 3 AAC 48.153 that supports infor-

mation filed under this subsection, and a list of the witnesses filing testimony.

(c) If a pipeline carrier files a new rate for transportation on a pipeline not previously regulated under AS 42.06, the commission may require, in addition to the information required under (a) of this section, information pertaining to the pipeline's historical costs and operations. (Eff. 4/24/2009, Register 190)

Authority:	AS 42.06.140	AS 42.06.360	AS 42.06.380
	AS 42.06.350	AS 42.06.370	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.

(l) A pipeline carrier with simplified pipeline tariff rates filed under 3 AAC 48.450 — 3 AAC 48.490 may file revised rates, along with a

statement specifying the simplified tariff rates subject to revision, under this section if

(1) property balances filed in support of the revised rates are based on current plant property, additions, retirements, and accumulated depreciation consistent with the pipeline carrier's previous filings under 3 AAC 48.450 — 3 AAC 48.490;

(2) the rate base and property balances are not adjusted to

(A) add an allowance for funds used during construction for property in service during the period rates filed under 3 AAC 48.450 — 3 AAC 48.490 were in effect except as provided in (m) of this section; or

(B) subtract accumulated deferred income taxes except as provided in (m) of this section; and

(3) any dismantlement, removal, and restoration costs waived by the pipeline carrier during the period rates filed under 3 AAC 48.450 — 3 AAC 48.490 were in effect are not recovered in rates filed under this section.

(m) If the commission orders the pipeline carrier to subtract accumulated deferred income taxes from the rate base, the pipeline carrier filing revised rates under (1) of this section may add to the rate base and property balances an allowance for funds used during construction that does not exceed the amount of accumulated deferred income taxes deducted from the rate base.

(n) The accumulated depreciation balances used to calculate rates filed under 3 AAC 48.450 — 3 AAC 48.490 are not subject to investigation or protest when included in rates filed under (1) of this section. The beginning plant balances, additions, and retirements verified by the pipeline carrier for rates filed under 3 AAC 48.450 — 3 AAC 48.490 are subject to investigation or protest when included in rates filed under (1) of this section. (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; am 1/9/2009, Register 189)

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 48.277. Uniform system of accounts.** (a) Except as otherwise ordered by the commission, each public utility or pipeline carrier shall comply with the following Uniform System of Accounts applicable to that utility or carrier:

(1) a telephone utility shall maintain records and accounts in accordance with the Uniform System of Accounts for Telecommunications Companies prescribed by 47 C.F.R. 32, as revised as of

January 1, 1988 and adopted by reference, subject to the following modifications, exceptions, and exclusions:

(A) a telephone utility with annual operating revenues of \$5,000,000 or more is a Class A utility and shall use the Class A system of accounts under 47 C.F.R. 32;

(B) a telephone utility with annual operating revenues of less than \$5,000,000 is a Class B utility and shall use the Class B system of accounts under 47 C.F.R. 32;

(C) the provisions of 47 C.F.R. 32.16(a), 47 C.F.R. 32.22(a) and (c), 47 C.F.R. 32.27(f), 47 C.F.R. 32.2000(b)(1) and (4), 47 C.F.R. 32.2004, 47 C.F.R. 32.2005(b)(3), 47 C.F.R. 32.2215, 47 C.F.R. 32.2425, 47 C.F.R. 32.6215, and 47 C.F.R. 32.6425 are not adopted by reference;

(D) a reference in 47 C.F.R. 32 to "Commission," "Federal Communications Commission," "Common Carrier Bureau," or "Wireline Competition Bureau" means the Regulatory Commission of Alaska;

(E) the dollar-limit waivers provided for in 47 C.F.R. 32 are not applicable for purposes of the account treatment required by this paragraph, with the following exceptions:

(i) the provisions of 47 C.F.R. 32.25 are adopted, as revised to allow a Class A telephone utility, without prior commission approval, to record in current operating accounts a correction of an error in a prior period that is no more than one percent of the aggregate summary account;

(ii) the provisions of 47 C.F.R. 32.2000(d)(1) are adopted;

(iii) the provisions of 47 C.F.R. 32.2003(b) are adopted, as revised to allow a Class A telephone utility to book short-term plant under construction to plant accounts when the cost of a construction project is \$100,000 or less and to allow a Class B telephone utility to book plant under construction to plant accounts when the cost of the construction project is \$25,000 or less;

(iv) the provisions of 47 C.F.R. 32.2000(a)(4), as revised as of January 1, 2003, are adopted by reference to allow a telephone utility to employ a capitalization threshold of \$2,000 for the applicable accounts identified in 47 C.F.R. 32.2000(a)(4);

(v) a telephone utility following 47 C.F.R. 32.2000(a)(4), as adopted by reference in (iv) of this subparagraph, may elect a \$500 capitalization threshold in place of the \$2,000 threshold; within 60 days after November 28, 2003, a telephone utility making an election under this sub-subparagraph must file with the commission a letter indicating the election to use the lower threshold; once the election is made, the telephone utility may not change to the \$2,000 threshold without commission approval;

(F) for purposes of the account at 47 C.F.R. 32.2003 for plant under construction, a telephone utility shall capitalize allowance

for funds used during construction and construction work in progress using a capitalization rate based on the actual average cost of debt, as provided for in 47 C.F.R. 32.2000(c)(2)(x), 47 C.F.R. 32.2003(a) and (c), and 47 C.F.R. 32.7340, as revised as of September 6, 1995 and adopted by reference;

(G) the provisions of 47 C.F.R. 32.2123, 47 C.F.R. 32.2211, 47 C.F.R. 32.2212, 47 C.F.R. 32.2232, and 47 C.F.R. 32.2424, as revised as of January 1, 2003, are adopted by reference;

(H) the provisions of 47 C.F.R. 32.6120, 47 C.F.R. 32.6211, 47 C.F.R. 32.6212, 47 C.F.R. 32.6232, and 47 C.F.R. 32.6424, as revised as of January 1, 2003, are adopted by reference;

(2) for purposes of applying (1) of this subsection a telephone utility shall follow the cost allocation principles prescribed by 47 C.F.R. 64.901, as revised as of January 1, 1988 and adopted by reference;

(3) for purposes of allocating the costs of joint use or interconnection of facilities under 3 AAC 48.430, a telephone utility shall account for its operations in accordance with (1) and (2) of this subsection;

(4) in (1) — (3) of this subsection “telephone utility” means a telecommunications public utility, except for a cable television or radio common carrier utility;

(5) gas public utilities with annual operating revenues of \$5,000,000 or more shall maintain records and accounts in accordance with the Uniform System of Accounts for Class A natural gas companies prescribed by Part 201 of the Federal Energy Regulatory Commission regulations (18 C.F.R. Part 201) which were in effect on January 1, 1982;

(6) gas public utilities with annual operating revenues of at least \$1,500,000 but less than \$5,000,000 shall maintain records and accounts in accordance with the Uniform System of Accounts for Class B natural gas companies prescribed by Part 201 of the Federal Energy Regulatory Commission regulations (18 C.F.R. Part 201) which were in effect on January 1, 1982;

(7) gas public utilities with annual operating revenues of at least \$500,000 but less than \$1,500,000 shall maintain records and accounts in accordance with the Uniform System of Accounts for Class C natural gas companies prescribed by Part 204 of the Federal Energy Regulatory Commission regulations (18 C.F.R. Part 204) which were in effect on January 1, 1982;

(8) gas public utilities with annual operating revenues of less than \$500,000 shall maintain records and accounts in accordance with the Uniform System of Accounts for Class D natural gas companies prescribed by Part 204 of the Federal Energy Regulatory Commission regulations (18 C.F.R. Part 204) which were in effect on January 1, 1982;

(9) electric public utilities financed in whole or in part by the Rural Electrification Administration shall maintain their records

and accounts in accordance with the Uniform System of Accounts prescribed for electric borrowers of the Rural Electrification Administration, United States Department of Agriculture, which were in effect on January 1, 1982;

(10) electric public utilities not subject to (9) of this subsection with annual operating revenues of \$5,000,000 or more shall maintain records and accounts in accordance with the Uniform System of Accounts for Class A public utilities prescribed by Part 101 of the Federal Energy Regulatory Commission regulations (18 C.F.R. Part 101) which were in effect on January 1, 1982;

(11) electric public utilities not subject to (9) of this subsection with annual operating revenues of at least \$1,500,000 but less than \$5,000,000 shall maintain records and accounts in accordance with the Uniform System of Accounts for Class B public utilities prescribed by Part 101 of the Federal Energy Regulatory Commission regulations (18 C.F.R. Part 101) which were in effect on January 1, 1982;

(12) electric public utilities not subject to (9) of this subsection with annual operating revenues of at least \$500,000 but less than \$1,500,000 shall maintain records and accounts in accordance with the Uniform System of Accounts for Class C public utilities prescribed by Part 104 of the Federal Energy Regulatory Commission regulations (18 C.F.R. Part 104) which were in effect on January 1, 1982;

(13) electric public utilities not subject to (9) of this subsection with annual operating revenues of less than \$500,000 shall maintain records and accounts in accordance with the Uniform System of Accounts for Class D public utilities prescribed by Part 104 of the Federal Energy Regulatory Commission regulations (18 C.F.R. Part 104) which were in effect on January 1, 1982;

(14) water public utilities with annual operating revenues of \$1,000,000 or more shall maintain records and accounts in accordance with the Uniform System of Accounts for Class A water utilities prescribed by the National Association of Regulatory Utility Commissioners which were in effect on January 1, 1982;

(15) water public utilities with annual operating revenues of at least \$500,000 but less than \$1,000,000 shall maintain records and accounts in accordance with the Uniform System of Accounts for Class B water utilities prescribed by the National Association of Regulatory Utility Commissioners which were in effect on January 1, 1982;

(16) water public utilities with annual operating revenues of at least \$250,000 but less than \$500,000 shall maintain records and accounts in accordance with the Uniform System of Accounts for Class C water utilities prescribed by the National Association of Regulatory Utility Commissioners which were in effect on January 1, 1982;

(17) water public utilities with annual operating revenues of less than \$250,000 shall maintain records and accounts in accordance with the Uniform System of Accounts for Class D water utilities prescribed by the National Association of Regulatory Commissioners which were in effect on January 1, 1982;

(18) garbage, refuse, trash, and other waste material public utilities with annual operating revenues of \$250,000 or more shall maintain records and accounts in accordance with the Uniform System of Accounts for Class 1 solid waste collection and disposal utilities prescribed by the Department of Public Utilities, State of New Jersey, which were in effect on January 1, 1982;

(19) garbage, refuse, trash, or other waste material public utilities with annual operating revenues of less than \$250,000 but more than \$100,000 shall maintain records and accounts in accordance with the Uniform System of Accounts for Class 2 solid waste collection and disposal utilities prescribed by the Department of Public Utilities, State of New Jersey, which were in effect on January 1, 1982;

(20) garbage, refuse, trash, or other waste material public utilities with annual operating revenues of less than \$100,000 shall maintain records and accounts in accordance with the Uniform System of Accounts for Class 3 solid waste collection and disposal utilities prescribed by the Department of Public Utilities, State of New Jersey, which were in effect on January 1, 1982;

(21) community antenna or cable television (CATV) public utilities with annual operating revenues of \$200,000 or more shall maintain records and accounts in accordance with the Uniform System of Accounts for Class A CATV public utilities prescribed by the National Association of Regulatory Utility Commissioners which were in effect on January 1, 1982;

(22) community antenna or cable television (CATV) public utilities with annual operating revenues of less than \$200,000 shall maintain records and accounts in accordance with the Uniform System of Accounts for Class B CATV public utilities prescribed by the National Association of Regulatory Utility Commissioners which were in effect on January 1, 1982;

(23) beginning with the utility's fiscal year immediately following the effective date of this paragraph, radio common carrier public utilities shall maintain records and accounts in accordance with the Uniform System of Accounts for radio common carrier public utilities prescribed by the National Association of Regulatory Utility Commissioners which were in effect on January 1, 1982;

(24) beginning with the utility's fiscal year immediately following the effective date of this paragraph, sewer public utilities with annual operating revenues of \$1,000,000 or more shall maintain records and accounts in accordance with the Uniform System of Accounts for Class A sewer utilities prescribed by the National Association of Regulatory Utility Commissioners which were in effect on January 1, 1982;

(25) beginning with the utility's fiscal year immediately following the effective date of this paragraph, sewer public utilities with annual operating revenues of at least \$500,000 but less than \$1,000,000 shall maintain records and accounts in accordance with the Uniform System of Accounts for Class B sewer public utilities prescribed by the National Association of Regulatory Utility Commissioners which were in effect on January 1, 1982;

(26) beginning with the utility's fiscal year immediately following the effective date of this paragraph, sewer public utilities with annual operating revenues of at least \$250,000 but less than \$500,000 shall maintain records and accounts in accordance with the Uniform System of Accounts for Class C sewer public utilities prescribed by the National Association of Regulatory Utility Commissioners which were in effect on January 1, 1982;

(27) beginning with the utility's fiscal year immediately following the effective date of this paragraph, sewer public utilities with annual operating revenues of less than \$250,000 shall maintain records and accounts in accordance with the Uniform System of Accounts for Class D sewer utilities prescribed by the National Association of Regulatory Utility Commissioners which were in effect on January 1, 1982;

(28) beginning with the pipeline carrier's fiscal year immediately following the effective date of this paragraph, pipeline carriers shall maintain records and accounts in accordance with the Uniform System of Accounts for oil (crude and products) pipelines prescribed by Part 352 (18 C.F.R. Part 352) of the Federal Energy Regulatory Commission regulations which were in effect on January 1, 1982;

(29) beginning with the pipeline carrier's fiscal year immediately following the effective date of this paragraph, natural gas pipeline carriers with annual operating revenues of \$2,500,000 or more shall maintain records and accounts in accordance with the Uniform System of Accounts for Class A natural gas pipelines prescribed by Part 201 of the Federal Energy Regulatory Commission regulations (18 C.F.R. Part 201) which were in effect on January 1, 1982;

(30) beginning with the pipeline carrier's fiscal year immediately following the effective date of this paragraph, natural gas pipeline carriers with annual operating revenues of at least \$1,000,000 but less than \$2,500,000 shall maintain records and accounts in accordance with the Uniform System of Accounts for Class B natural gas pipelines prescribed by Part 201 of the Federal Energy Regulatory Commission regulations (18 C.F.R. Part 201) which were in effect on January 1, 1982;

(31) beginning with the pipeline carrier's fiscal year immediately following the effective date of this paragraph, natural gas pipeline carriers with annual operating revenues of at least \$150,000 but less than \$1,000,000 shall maintain records and accounts in accordance with the Uniform System of Accounts for Class C natural gas

pipelines prescribed by Part 204 of the Federal Energy Regulatory Commission regulations (18 C.F.R. Part 204) which were in effect on January 1, 1982;

(32) beginning with the pipeline carrier's fiscal year immediately following the effective date of this paragraph, natural gas pipeline carriers with annual operating revenues of less than \$150,000 shall maintain records and accounts in accordance with the Uniform System of Accounts for Class D natural gas pipelines prescribed by Part 204 of the Federal Energy Regulatory Commission regulations (18 C.F.R. Part 204) which were in effect on January 1, 1982.

(b) Each of the Uniform System of Accounts referred to in (a) of this section may be obtained at the office of the Alaska Public Utilities Commission as specified in 3 AAC 48.010(a).

(c) Repealed 11/28/2003.

(d) The adoption by reference of the applicable Uniform System of Accounts set out in (a) of this section does not preclude a utility, upon notification to the commission, from maintaining accounts and records in accordance with the Uniform System of Accounts prescribed for the same type of utility in a higher revenue classification.

(e) A pipeline carrier shall establish and maintain as part of its system of accounts continuing property records showing, as to property units in this state, the year of placement in service; original cost; and current location; and, as to a pipeline system, accounts and records in a manner showing, on a current basis, the original cost of the system in the state and related reserves for depreciation.

(f) A pipeline carrier shall keep its accounts for its pipeline facilities located in this state separate from any accounts relating to any other business it engages in, directly or indirectly. No property, expense, or revenue used in or derived from the other business will be considered in establishing the rates and charges of the facilities. (Eff. 6/29/84, Register 90; am 6/16/88, Register 106; am 5/20/99, Register 150; am 11/23/2003, Register 168)

<b>Authority:</b>	AS 42.05.141	AS 42.05.401	AS 42.06.140
	AS 42.05.151	AS 42.05.451	AS 42.06.430
	AS 42.05.321	AS 42.05.691	AS 42.06.620
	AS 42.05.361		

**3 AAC 48.280. Notice and effective date.** (a) A special contract or other tariff filing may not take effect until the filing utility or pipeline carrier has complied with this section and the delivery requirements set out in 3 AAC 48.240. If a utility or pipeline carrier makes a tariff filing without meeting all of the notice requirements provided by statute, and by 3 AAC 48.200 — 3 AAC 48.430, and those requirements are not waived by the commission, the filing has the same status as if it had never been filed and can take effect only if it is refiled in full compliance with all the applicable requirements.

(b) The statutory period of notice to the commission and the public

with respect to special contracts, and every new or revised tariff rate, charge, rule, regulation, condition of service, or practice, starts running as of the day after the date the filing is delivered to the commission in accordance with 3 AAC 48.240. In computing the statutory notice period, no consideration will be given to notice by telephone or telegraph.

(c) Except as otherwise provided in 3 AAC 48, any tariff filing delivered to the commission too late to allow the statutory notice period to run before a designated effective date will be returned to the utility or pipeline carrier. If a specific effective date is not designated in the advice letter, the commission will assume a proposed effective date is 30 days after the filing date for a revised pipeline tariff 45 days after the filing date for a utility tariff and 90 days after the filing date for an initial pipeline tariff and the filing will not be returned solely for failure to meet the notice requirements. If a tariff filing is refiled by the utility or pipeline carrier after having been returned as provided in this chapter, it is subject to the same notice requirement as the original filing.

(d) A copy of each tariff filing delivered to the commission must be readily accessible to the public at each location where an up-to-date copy of a utility's or pipeline carrier's effective tariff is available for public inspection.

(e) The commission will, in its discretion, and on a case-by-case basis, prescribe one or more appropriate additional means by which a tariff filing must be noticed to the public, including, but not limited to

(1) publication in one or more newspapers or via other news media at the expense of the filing entity; and

(2) individual notice to all customers or shippers to be affected, either by direct mail at the expense of the utility or pipeline carrier under conditions prescribed by the commission, or by the commission itself, using plain unsealed envelopes that have been stamped, addressed, and furnished by the utility or pipeline carrier. (Eff. 11/16/73, Register 48; am 6/29/84, Register 90)

Authority: AS 42.05.141                      AS 42.05.411                      AS 42.06.350  
                  AS 42.05.151                      AS 42.06.140(a)                      AS 42.06.390  
                  AS 42.05.361

**3 AAC 48.290. Response to notice.** (a) Any person desiring to submit a statement of interest in, or objection to, a tariff filing may be asked to do so not later than 20 days after the date of delivery to the commission unless a longer period, not in excess of 30 days, is granted by public notice, or by notice in writing. Every notice to the public by direct mail or by means of a paid legal advertisement in any news media shall specify the deadline date for responses to the filing.

(b) Objections, or statements of interest, must be submitted in writing with a copy to the utility or pipeline carrier; must be signed by

the interested person or the person's authorized representative; and must contain at least the following information:

(1) reference to the applicable docket number, tariff advice letter number, or file reference specified in the notice;

(2) name and address of the person filing, regardless of whether the person is a customer of the utility or a shipper with the pipeline carrier; and if the person is a customer or shipper, the address of the place or places where service is taken, or the place or places where shipment is received by the carrier;

(3) reason for filing, if not a customer or shipper, together with any supporting factual data;

(4) whether or not objection is made on behalf of self or on behalf of other named persons, or an organized group, association, company, etc.;

(5) the person's objection or interest in the noticed matter with reasonable particularity, and as concisely as possible; and

(6) statement that a true copy of the same statement of interest or objection has been served on the utility or pipeline carrier that made the tariff filing, together with the date it was either mailed or hand-delivered to the utility or pipeline carrier.

(c) A customer of a utility, or a shipper with a pipeline carrier, has unquestioned standing to file a timely statement of interest in or objection to a filing by that utility or pipeline carrier. The standing of others to file these statements depends upon the nature of their interest, the merit of their position, the extent to which their statements are supported by accurate factual data, and such other factors as the commission considers pertinent. A statement of interest may be summarily dismissed, or ignored, if the commission finds the statement is based upon erroneous assumptions or appears to be motivated mainly by a desire to harass or embarrass the utility or pipeline carrier or to protect the economic interests of the competitors of the utility or pipeline carrier. A person who is denied standing may file a motion asking the commission to reconsider its decision and indicating the reason the motion should be granted. (Eff. 11/16/73, Register 48; am 6/29/84, Register 90)

Authority:	AS 42.05.141	AS 42.06.140(a)	AS 42.06.370
	AS 42.05.151	AS 42.06.350	AS 42.06.390

**3 AAC 48.300. Waiver of statutory notice.** (a) When a utility or pipeline carrier includes in its advice letter a request for authorization for a tariff filing to take effect before the end of the statutory notice period, the burden of showing good cause for waiving statutory notice must be borne by the filing utility or pipeline carrier.

(b) In response to each request under (a) of this section, the commission will, in its discretion

- (1) deny the request and require at least the statutory notice period to expire before allowing the filing to take effect;
- (2) grant the request as of the effective date specified;
- (3) allow the filing to take effect before the end of the statutory notice period but later than the date specified in the request; and
- (4) pending a public hearing, suspend the operation of the tariff filing for a period not longer than that permitted under AS 42.05.421 or AS 42.06.400.

(c) The commission, on its own motion or for good cause shown, will, in its discretion, waive statutory notice and specify an effective date sooner than the end of the statutory notice period for tariff filings, including

- (1) tariffs of new utilities or pipeline carriers and of utilities or pipeline carriers brought under regulation by operation of law;
- (2) tariffs covering services, facilities, or commodities not previously furnished;
- (3) tariffs that take effect by means of adoption notices; and
- (4) tariffs filed to comply with orders of the commission. (Eff. 11/16/73, Register 48; am 6/29/84, Register 90)

<b>Authority:</b>	AS 42.05.141	AS 42.05.411	AS 42.06.390
	AS 42.05.151	AS 42.06.140(a)	AS 42.06.400

**3 AAC 48.310. Suspension and rejection of tariff filings.** (a) A tariff filing that is received by the commission in a form or filed by a method which, in whole or in part, is not consistent with 3 AAC 48.200 — 3 AAC 48.430, or which reflects retroactive rate treatment, will, in the commission's discretion, be rejected.

(b) When a tariff filing is rejected, it will be returned promptly to the utility or pipeline carrier with a letter explaining the reason it was rejected.

(c) A tariff filing or any portion of one, that has been rejected is void and, for all purposes, shall be treated as though it had never been filed.

(d) The commission will, in its discretion, by order stating the reason, suspend a tariff filing either in whole or in part at any time before the end of the statutory notice period to the commission.

(e) If the commission does not enter a formal order suspending a tariff filing, in whole or in part, the part that is not suspended takes effect when the statutory notice period has run in accordance with 3 AAC 48.240, or at a later date designated by the utility or pipeline carrier.

(f) Show cause orders and orders of investigation involving a suspended tariff will be issued under the same docket file number as the one under which the original suspension order was entered.

(g) If a suspended tariff filing is withdrawn by a utility or a pipeline carrier and later refiled, the commission will, in its discretion, suspend it again up to the full statutory period.

(h) An order of the commission suspending a tariff filing, in whole or

in part, may later be vacated, in whole or in part, by means of an order in the same formal proceeding.

(i) During the suspension period, a utility or pipeline carrier may supplement or amend its tariff filing or make additional filings. However, if the supplementary or additional filings represent or make a significant or material change in the original filing, the commission will, in its discretion, suspend the filing again up to the full statutory period and renotice the supplemented or amended filing to the public under 3 AAC 48.280. (Eff. 11/16/73, Register 48; am 6/29/84, Register 90)

Authority:	AS 42.05.141	AS 42.05.421	AS 42.06.350
	AS 42.05.151	AS 42.06.140(a)	AS 42.06.400
	AS 42.05.411		

**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 48.320. Effective tariff controlling.** (a) For every service that a utility or pipeline carrier offers that is regulated by the commission, the effective tariff of the utility or pipeline carrier must set out the rates, charges, regulations, terms, and conditions applicable to the service. The effective tariff of every utility or pipeline carrier

must specifically provide for, and authorize, every rate or charge subject to the commission's jurisdiction.

(b) A utility or pipeline carrier may not deviate from its effective tariff or refuse to apply it uniformly without prior commission approval.

(c) If a utility or pipeline carrier charges more or less than the amount provided by its effective tariff, it shall promptly make appropriate adjustments to correct the total overpayment or underpayment.

(d) Errors occurring in an effective tariff which result solely from typographic or reproduction mistake must, upon discovery, be corrected immediately by the utility or pipeline carrier, which shall supply corrected conforming pages for all tariff copies provided for in this chapter. (Eff. 11/16/73, Register 48; am 6/29/84, Register 90)

Authority:	AS 42.05.141	AS 42.05.371	AS 42.06.140(a)
	AS 42.05.151	AS 42.05.381	AS 42.06.360

**3 AAC 48.330. Format of tariff sheets.** (a) Every tariff sheet must be eight and one-half by 11 inches in size and, except as provided in 3 AAC 48.360(f), must be clearly printed or typed on forms that are in every respect, except size, exactly the same as the form set out below:

RCA No. _____	Sheet No. _____
Canceling _____	Sheet No. _____
<b>Exact Legal Name of Utility (as listed on certificate)</b>	
Tariff Advice No. _____	Effective: _____ DATE _____

Issued by: UTILITY NAME  
 By: \_\_\_\_\_ Title: \_\_\_\_\_  
 (Authorized Representative's Name) (Authorized Representative's Title)

(b) Repealed 6/29/84. (Eff. 11/16/73, Register 48; am 6/29/84, Register 90; am 4/24/2004, Register 170)

Authority: AS 42.05.141 AS 42.05.361 AS 42.06.350  
 AS 42.05.151 AS 42.06.140

**3 AAC 48.340. Tariff sheet designation.** (a) Each completely new tariff sheet must be officially designated by the letters "RCA" in the upper left-hand corner of the tariff sheet, followed by the number of the utility's or pipeline carrier's certificate of public convenience and necessity authorizing the utility or pipeline carrier to furnish the kind of service or commodity covered by its tariff.

(b) Each sheet of every tariff, except the title page, must bear a sheet number in the space provided at the top. The first publication of a tariff sheet must be designated as "Original Sheet . . . ."

(c) The amendment of any sheet of a tariff shall be made only by reissuing the particular sheet upon which the change, addition, or cancellation is made. Reissuing the sheet means to cancel it by a new page which shall be designated as a revised page in the manner shown below and shall contain the same tariff provisions except whatever additions, changes, or cancellations are made. Each revised tariff sheet shall bear the same sheet number as the sheet it amends and shall bear a consecutive revision number as explained in this subsection. A revised sheet which amends an original sheet shall be designated

“FIRST REVISION OF SHEET ...,” “SECOND REVISION OF SHEET ...,” etc. Each revised sheet shall direct the cancellation of the original or revised sheet which it amends and this cancellation shall be shown in the manner indicated in the following example:

FIRST REVISION OF SHEET ....  
CANCELLING  
ORIGINAL SHEET ....

When the first revision of a sheet is to be amended, it shall be cancelled by a second revised sheet in the following manner:

SECOND REVISION OF SHEET ....  
CANCELLING  
FIRST REVISION OF SHEET ....

(d) If, after a tariff has been issued, it becomes necessary to add an additional page to provide for expanded or additional tariff matter, the added page shall be designated as an original sheet (not a revised sheet) and shall be given the same sheet number, when added between existing sheets of the tariff, as the sheet which it follows, but a decimal suffix (in the numerical sequence) shall follow the sheet number. For example, a sheet added between sheets four and five of the tariff shall be designated as “Original Sheet 4.1” and a sheet added between 4.1 and 5 of the tariff shall be designated as “Original Sheet 4.2” etc. In no case, however, shall a sheet be added between two sheets both of which bear sheet numbers with suffixes containing two decimal places. If it should become necessary to amend original sheet 4.1, it shall be done in the manner prescribed in (c) of this section by issuing first revision of sheet 4.1.

(e) When the added sheet is added after the last sheet, at the end of the tariff, the added sheet shall be given the next consecutive number following the number of the last sheet of the tariff. For example, if the last sheet of a tariff is Sheet 99, the added sheet shall be designated “Original Sheet 100.”

(f) When a revised sheet is issued which omits rates, charges, or other provisions formerly published on the sheet which it cancels, and the omitted matter is transferred to a different sheet, the revised sheet shall make specific reference to the sheet on which the omitted matter will thereafter be found as indicated in the following example:

For (here identify the omitted matter) formerly published on ...  
(here insert the words “Original Sheet .... or Revision of Sheet ....”), see ..... Revision of Sheet ....

The sheet to which the omitted matter is transferred shall refer to the sheet on which the matter was formerly published, substantially as follows:

For (here identify the transferred matter) in effect prior to the effective date hereof, see (here insert the words “Original Sheet .... or .... Revision of Sheet ....”).

The cancellation of the matter on the former sheet shall be made effective simultaneously with the effective date of the matter on the sheet to which it is transferred. Subsequent revisions of the revised sheets accomplishing the transfer shall omit the references required above with respect to the transferred matter.

(g) If anything on a tariff sheet is to be cancelled entirely, and is not to be transferred to another page of the same tariff, the revised sheet which effects the amendment shall specifically show the cancellation of the provisions and identify the provisions to be cancelled. For example, if a rule is cancelled, the number and caption of the rule should be brought forward on the new sheet but the body of the rule should be omitted and, in its place, it should be stated that the rule is cancelled. Alternatively, the cancellation (but not transfer) of a substantial portion of material on a tariff sheet may be accomplished by simply omitting the matter to be cancelled and inserting a footnote at the bottom of the revised sheet clearly indicating the nature of the matter that has been cancelled. Subsequent revisions of the revised sheet that effected the cancellation shall omit the cancellation. (Eff. 11/16/73, Register 48; am 6/29/84, Register 90; am 4/24/2004, Register 170)

Authority: AS 42.05.141 AS 42.05.361 AS 42.06.350  
AS 42.05.151 AS 42.06.140

**3 AAC 48.350. Separate tariff for each utility.** When a single entity furnishes more than one kind of utility or pipeline service or commodity, as defined in AS 42.05 or AS 42.06, it shall file a separate tariff for each kind of utility service or pipeline carrier service or commodity that it furnishes. (Eff. 11/16/73, Register 48; am 6/29/84, Register 90)

Authority: AS 42.05.141 AS 42.06.140(a) AS 42.06.350  
AS 42.05.151

**3 AAC 48.360. General arrangement and content of tariff.**  
(a) The first page of each tariff is the title page. It must show the tariff number, the cancelled tariff number when applicable, the exact legal name of the utility or pipeline carrier issuing the tariff, the service or commodity offered, the area or areas to which the tariff applies, the effective date of the sheet, the complete address of the issuing utility or pipeline carrier, and the name, title, and signature of a person authorized to issue the tariff. Whenever a service area is increased or decreased, or when any other information referred to in this section is changed, the title page of the tariff applicable to that area must be revised to reflect the change.

(b) The second page of each tariff is the index page. It must show the tariff number, the sheet number, the exact legal name of the utility or pipeline carrier issuing the tariff, the effective date of the sheet, the name, title and signature of a person authorized to issue the tariff, and

a complete and accurate list of the contents of the tariff. When a new or revised tariff sheet is added, and it is not listed on the currently effective index page, the index page must promptly be revised to reflect the addition and must be filed with the commission, together with the other new or revised pages.

(c) A map, or set of maps, each of which is eight and one-half inches by 11 inches in size, or not larger than eight and one-half inches by 11 inches when folded, must immediately follow the second page of the tariff, except that larger size maps may be filed separately, provided an appropriate listing of the maps is furnished on the third page of the tariff. The maps furnished by a pipeline carrier must show the pipeline facility or extension, route and the location of each intake and offtake point currently used, and each intake or offtake point which has been constructed but is not currently used. The maps furnished by a utility must clearly delineate the boundaries of

(1) the utility's certificated area or areas, and the principal area and major points actually served under the tariff;

(2) the areas, zones, or districts in which the utility's rate schedules are generally applied.

(3) repealed 6/29/84.

(d) A complete set of the regulations governing the services offered by each utility or pipeline carrier under its tariff must be set out on consecutively numbered pages immediately following the maps.

(e) The tariff sheets setting out the schedules of rates and charges for each class of service offered, or for each customer or shipper group, must be set out on consecutively numbered pages immediately following the regulations.

(f) For a pipeline carrier also subject to federal jurisdiction, tariff sheets delineating the sections of its currently effective federal tariff which are applicable to intrastate transportation of oil and petroleum products, together with a complete copy of the federal tariff, must be set out on consecutively numbered pages immediately following the intrastate rates and charges.

(g) Special contracts with customers must be filed separately by the utility and need not conform to the numbering plan set out in this section, nor be included in the index page.

(h) In the construction of a tariff, consideration should be given to the fact that it will probably be necessary, in the future, to file additional rates, rules, regulations, etc. Reservation of sheet and schedule numbers should therefore be made to provide, in advance, for subsequent filings to be made in proper relation to schedules, etc., filed previously.

(i) The purpose and effect of every tariff revision must be indicated on the tariff by the use of the following symbols to the right of the text to which they apply, but within the lined margin of the tariff sheets:

C — To denote a changed condition or regulation

D — To denote a discontinued rate, regulation, or condition

- I — To denote an increase
- L — To denote that material has been relocated from or to another sheet or place in the tariff with no change in text, rate, rule, or condition
- N — To denote a new rate, regulation, condition, or sheet
- S — To denote reissued matter
- R — To denote a reduction
- T — To denote a change in text for clarification

(j) The symbols in (i) of this section may not be carried forward on subsequent revisions of the tariff sheets where they originally are shown or into tariff reissues or supplements, and the filing utility or pipeline carrier is not required to use them in any reproduction of its tariff for public inspection. (Eff. 11/16/73, Register 48; am 6/29/84, Register 90)

Authority:	AS 42.05.141	AS 42.05.411	AS 42.06.350
	AS 42.05.151	AS 42.06.140(a)	AS 42.06.390
	AS 42.05.361		

**3 AAC 48.370. Content of rules and regulations.** Except as otherwise provided in 3 AAC 48.360, the rules and regulations of each utility or pipeline carrier, to the extent applicable, must include

- (1) applications for service, deposits, and credit rules;
- (2) definitions of terms used in the tariff;
- (3) terms, conditions, and charges for service connections;
- (4) the reconnection charge and conditions under which the charge applies;
- (5) use of service when it is a determining factor in the application of rates;
- (6) installation and allowable deviation of metering devices from fixed standards;
- (7) restrictions as to the hours of service, if any;
- (8) terms and conditions under which service will be extended to applicants via distribution main extensions, line extensions, or other means (except when stated in a rate schedule);
- (9) responsibility for, and maintenance of, service;
- (10) access to customer premises;
- (11) interruptions of service and credit for interruptions;
- (12) billing regulations, including special bills;
- (13) delinquent accounts;
- (14) illegal use of service;
- (15) discontinuance of service by customer or shipper or utility or pipeline carrier, including temporary disconnection of service;
- (16) sales for resale;
- (17) procedure for filing and disposition of customer or shipper complaints;
- (18) form of all contracts, except special contracts, utilized in furnishing services and commodities, and conditions under which they are required;

(19) conditions under which a person may share in the use of the customer's service (e.g., joint-user arrangements in tariff of a telecommunications utility);

(20) directory listing policy;

(21) priority of service;

(22) supersedure of service;

(23) liability clauses;

(24) responsibility of customer or shipper;

(25) responsibility of utility or pipeline carrier;

(26) list of special contracts, with whom and for what service; and

(27) sheet indicating locations of tariff. (Eff. 11/16/73, Register 48; am 6/29/84, Register 90)

Authority:	AS 42.05.141	AS 42.05.361	AS 42.06.350
	AS 42.05.151	AS 42.05.411	AS 42.06.390
	AS 42.05.311	AS 42.06.140(a)	

**3 AAC 48.380. Content of rate schedules.** Each schedule setting out the rates and charges for services offered by the utility or pipeline carrier must be given an appropriate heading. Each schedule must begin on a separate page and must, if applicable, include the following:

(1) the schedule number, class of service, and the locality or area where it is applicable;

(2) to whom the service is available;

(3) the kind or classification of service, the conditions under which it is offered, and, if necessary, the geographic area in which the rate is applicable;

(4) the rate;

(5) whether a schedule is optional, and the associated conditions;

(6) the minimum charge;

(7) the time when service is available if not 24-hour service;

(8) the discount for prompt payment when applicable;

(9) promotional practices involving an offer to pay compensation or consideration or furnish equipment as an inducement for the installation or use of a service or commodity;

(10) any provision for the automatic revision of a rate or charge which is contingent on changes in a cost element entering into the cost of providing service such as fuel adjustment clauses, or changes in the wholesale rate paid by the utility or pipeline carrier for the service or commodity it purchases;

(11) all factors entering into the computation of bills under the schedule;

(12) for telecommunications utilities that furnish local exchange telephone service, their primary rate schedules, their regulated terminal equipment rates, rates and charges for equipment furnished by customers, and schedules for other services peculiar to their operations; and

(13) for telecommunications utilities that furnish interexchange long-lines service, their basic rate schedules, their supplementary

rate schedules, their list of toll points and schedules covering all other intrastate services and facilities they furnish to the public for compensation, but not toll settlement formulas and procedures. (Eff. 11/16/73, Register 48; am 6/29/84, Register 90)

Authority: AS 42.05.141 AS 42.05.361 AS 42.06.350  
AS 42.05.151 AS 42.06.140(a) AS 42.06.390

**3 AAC 48.390. Provisions of special contract.** (a) Each special contract filed with the commission under AS 42.05.361(a) and 3 AAC 48.200 — 3 AAC 48.430 must contain a provision indicating the understanding of the parties that the contract

(1) does not take effect without the prior approval of the commission; and

(2) is, at all times, subject to revisions by the commission.

(b) The parties to every special contract shall be given notice and an opportunity to be heard as a condition precedent to revising a special contract.

(c) A special contract shall not be used as a device or method to give the vendee an unreasonable preference or advantage or subject the vendee to an unreasonable prejudice or disadvantage as determined by analyzing the provisions of the contract in relation to the terms and conditions under which the utility offers a comparable service under comparable conditions to the general public.

(d) The commission will, in its discretion, authorize a utility to offer untariffed services or equipment to customers by special contract under the following conditions:

(1) the utility has filed a tariff for the service or equipment in the form and accompanied by the supporting information required by 3 AAC 48.200 — 3 AAC 48.430;

(2) the commission has suspended the operation of the tariff pending final approval;

(3) the commission has specified the rate or rates to be charged the customer in the special contract;

(4) the rate or rates specified will be retroactively reviewable and revisable, upward or downward, from the effective date of the special contract, and the customer's liability will be to pay the rate or rates finally approved for the tariff filing plus or minus accrued interest if the rates finally approved are different from the rate initially approved for use in the special contract; and

(5) the special contract expressly advises the customer of his potential retroactive liability for increased rates, plus accrued interest.

(e) Upon the commission's final approval of the tariff filed under (d)(1) of this section, including any adjustment of the rate authorized for use in the special contract, the special contract lapses and service must continue under the terms and conditions set out in the utility's tariff. (Eff. 11/16/73, Register 48; am 1/19/80, Register 73; am 6/29/84, Register 90)

Authority:	AS 42.05.141	AS 42.05.301	AS 42.05.391
	AS 42.05.151	AS 42.05.361	AS 42.05.431
	AS 42.05.291	AS 42.05.381	

**3 AAC 48.400. Adoption notice.** (a) When a utility or pipeline carrier, or portion of one, is transferred from the operating control of one utility or pipeline carrier to that of another by sale, lease, rental, inheritance, assignment, receivership, acquisition of a controlling interest by any means, or change in the legal form of its organization, or when the name of the utility or pipeline carrier is changed, the utility or pipeline carrier operating after that, if it intends to continue using the tariff shall, for each tariff so used, issue and file with the commission and shall, at the same time, make available for the statutory notice period at every place designated under 3 AAC 48.200 — 3 AAC 48.430, a tariff supplement containing an adoption notice reading substantially as follows:

(Name of utility or pipeline carrier) hereby adopts, as if they had been originally filed by it, all tariffs, rules, notices, concurrences, provisions, authorities, power of attorney, or any other instruments of (name of predecessor utility or pipeline carrier) before (here insert the date of change). By this notice, it also adopts and ratifies all supplements and amendments to any of the above tariffs of the (name of predecessor utility or pipeline carrier).

(b) Adoption notices may be filed and take effect in less than the statutory notice period without written authorization of the commission unless the commission finds it would be contrary to the public interest.

(c) Until such time as an adopted tariff is refiled in the name of the utility or pipeline carrier which adopted it, all revisions of it subsequent to adoption will bear, at the top part of each tariff sheet, the name of the utility or pipeline carrier whose tariff was adopted and, at the bottom part of the sheet after "Issued by," the name of the utility or pipeline carrier that adopted the tariff and is issuing the revisions of the tariff. A tariff adopted by one utility or pipeline carrier may not be adopted by another utility or pipeline carrier, but instead must be filed as the tariff of the filing utility or pipeline carrier without any substantive change in the rates, charges, rules, and regulations of the predecessor utility or pipeline carrier. (Eff. 11/16/73, Register 48; am 6/29/84, Register 90)

Authority:	AS 42.05.141	AS 42.06.140(a)	AS 42.06.360
	AS 42.05.151	AS 42.06.305	AS 42.06.390
	AS 42.05.361	AS 42.06.350	

**3 AAC 48.410. Tariff of acquired utility or pipeline carrier.** A utility or pipeline carrier acquiring ownership or control of another utility or pipeline carrier, or portion of one, and filing a notice adopting the rates, rules, and regulations, etc., of that utility or pipeline carrier

shall, within 90 days after the filing of that adoption notice, file those rates, rules, and regulations, etc., as a part of its own tariff or as a separate tariff in its own name if it plans to continue to operate in accordance with them. (Eff. 11/16/73, Register 48; am 6/29/84, Register 90)

Authority: AS 42.05.141 AS 42.05.411 AS 42.06.350  
AS 42.05.151 AS 42.06.140(a) AS 42.06.360  
AS 42.05.361 AS 42.06.305 AS 42.06.390

**3 AAC 48.420. Uniform deposit practices.** (a) When a deposit is required as a condition of receiving utility service the rule which established the deposit requirement shall also set forth the maximum amount of the deposit to be paid, which in no case shall exceed the following amount for a customer of the indicated type of utility as determined by the utility after consultation with the customer:

- (1) two months' telephone billings, including toll charges as estimated by the utility;
- (2) two months' electric billing based on the utility's estimate of usage;
- (3) two months' water charges at the flat rate, or two months of metered charges as estimated by the utility;
- (4) two months' gas billings as estimated by the utility;
- (5) two months' sewer service fees as estimated by the utility;
- (6) two months' garbage, refuse, trash, or other waste material collection and disposal service billings as estimated by the utility;
- (7) two months' community antenna or cable television (CATV) service billings as estimated by the utility; and
- (8) two months' radio common carrier service billings as estimated by the utility.

(b) The deposit rule must clearly state the length of time the utility will retain a customer's deposit, but under no circumstances may a utility retain a customer's deposit longer than two years, if, in the interim period, the utility has not been forced to disconnect that customer's service for reasons of delinquency in payment of charges, and if the customer has not been delinquent in payment more than once in any 12 consecutive months. Except for electric utilities as set out in 3 AAC 52.420, the deposit must be returned to the customer either within 60 days after discontinuance of telephone service or within 25 days after discontinuance of other utility service, after deducting money due the utility. (Eff. 11/16/73, Register 48; am 6/29/84, Register 90; am 1/1/87, Register 100)

Authority: AS 42.05.141 AS 42.05.361 AS 42.05.391  
AS 42.05.151 AS 42.05.381

**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)

<p><b>Authority:</b> AS 42.05.141 AS 42.05.151 AS 42.05.381</p>	<p>AS 42.05.411 AS 42.05.421</p>	<p>AS 42.05.431 AS 42.05.471</p>
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**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 48.430. Jurisdictional separations.** (a) Except as set out in (b) — (m) of this section, the Separations Manual, setting out the standard procedure for separating telephone property costs, revenues, expenses, taxes, and reserves, and as set out in 47 C.F.R. 36, as revised as of August 8, 1988, is adopted by reference. A telephone utility shall allocate its property costs, revenues, expenses, taxes, and reserves in accordance with the principles and procedures in 47 C.F.R. 36, except as set out in (b) — (m) of this section, for use by the commission in establishing rates for telephone utilities.

(b) Except as set out in (e) and (f) of this section, "state toll" is substituted for "state" throughout Part 36.

(c) Sections 36.1(b), 36.2(b)(3), and (e), 36.155(a), 36.331(b), and 37.377(a)(7) are modified by substituting "state toll and local" for "state and interstate" and "interstate or state."

(d) 47 C.F.R. 36.2(b)(3)(iv), 36.126(c)(3), and 36.154(c) — (f) are not adopted. The following applies:

(1) Category 4.13 and Category 1.3 costs, as defined by 47 C.F.R. 36.126(a) and (b) and 36.154(a), will be apportioned by an allocation factor of .20.

(2) Repealed 1/10/99.

(3) Repealed 1/10/99.

- (4) Repealed 1/10/99.
- (5) Repealed 1/10/99.
- (e) 47 C.F.R. 36.125(b) — (f) are not adopted. The following applies:
- (1) Category 3 investment, as defined by 47 C.F.R. 36.125(a), is apportioned to the state toll jurisdiction on the basis of the state toll dial equipment minute (DEM) factor. The state toll DEM factor is the ratio of the state toll DEM to total DEM.
  - (2) Category 3 investment, as defined by 47 C.F.R. 36.125(a), is apportioned to the AUSF on the basis of weighted state toll DEM minus state toll DEM. Weighted state toll DEM is equal to state toll DEM times in weighting factor set out in (3) of this subsection.
  - (3) The applicable weighting factor is as follows:

NUMBER OF ACCESS LINES IN LOCAL EXCHANGE COMPANY STUDY AREA	WEIGHTING FACTOR
0-10,000	3.0
10,001-20,000	2.5
20,001- or above	1.0

(4) Notwithstanding (1) — (3) of this subsection, the allocation factor to intrastate toll and universal service is limited to a level that brings the total allocation to interstate toll plus federal universal service support for switching, intrastate toll, and the state universal service support for DEM weighting to the percent of Category 3 investment determined for each local exchange company by the following formula:

$$.85 + (.05 \times (A \div B))$$

where:

A = the number of exchanges with toll free calling to less than 100 access lines

B = the total number of exchanges

(5) Reductions to intrastate factors resulting from application of (3) and (4) of this subsection are applied first to reduce the DEM weighting support portion of the state universal service factor, with any residual used to reduce the intrastate toll DEM factor.

(f) Sections 36.142(b) and 36.377(a)(1)(i), (a)(1)(iii), (a)(2)(v), and (a)(3)(vi) are modified by substituting "local" or "local exchange" for "state" in the phrases "state jurisdiction" and "state operations."

(g) Section 36.154 is modified by adding "Subcategory 1.4, local private lines," in section 36.154(a) and including subcategory 1.4 in the direct assignments provided in section 36.154(b).

(h) Section 36.181(a) is modified by substituting "state toll operation" for "interstate operation."

(i) Section 36.377(a)(1)(i), (a)(2)(v), and (a)(3)(vi) are modified by adding "local private line expense" to the assignments provided in these sections.

(j) Section 36.377(a)(7) is modified by substituting "revenues of" for "revenues deposited in."

(k) Subparts F and G of Part 36, sections 36.601 — 36.741, are not adopted.

(l) Unless the context indicates otherwise, in this section

(1) "dial equipment minutes" or "DEM" means the minutes of holding time of the originating and terminating local switching equipment;

(2) "holding time" means the time in which an item of telephone plant is in actual use either by a customer or an operator; "holding time" includes on a completed telephone call, conversation time as well as other time in use; "holding time" does not include at local dial offices measured minutes that result from other than customer attempts to place calls as evidenced by the dialing of at least one digit.

(m) The provisions of 47 C.F.R. 36.171 and 47 C.F.R. 36.222(c), as revised as of September 6, 1995, are adopted by reference. (Eff. 7/18/75, Register 55; am 11/25/83, Register 88; am 4/9/89, Register 110; am 3/28/90, Register 113; am 1/10/99, Register 149; am 5/20/99, Register 150; am 1/1/2001, Register 156; am 4/24/2004, Register 170)

Authority: AS 42.05.141 AS 42.05.151 AS 42.05.401

**Editor's note:** A copy of the Separations Manual, 47 C.F.R. 36, as amended through August 8, 1988, is available for inspection at the offices of the Regulatory Commission of Alaska as specified in 3 AAC 48.010(a).

Under AS 44.62.125(b)(6) and AS 01.05.031(b)(7), the regulations attorney

added subsec. (k) to 3 AAC 48.430 as of Register 112, January 1990. The former Alaska Public Utilities Commission had adopted that subsection, but it was inadvertently omitted from the set of 3 AAC 48.430 amendments that was filed on March 10, 1989.

**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 May 4, 2011, 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; am 7/31/2011, Register 199)

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

**3 AAC 48.442. Delayed implementation of regulatory provisions relating to DEM weighting.** Notwithstanding the 1/10/99 amendments to 3 AAC 48.275 — 3 AAC 48.820, if the commission

determines that the delay of implementation of provisions in those regulations that relate to weighted state DEM support in those regulations is in the best interests of the state, the commission will, by order, provide for a delayed implementation date of those provisions as they relate to weighted state DEM support, the reasons for the delay, and a statement that the language of the regulations cited in this section as it appeared on the day before 1/10/99 applies to weighted state DEM support until the stated delayed implementation date. (Eff. 1/10/99, Register 149)

<b>Authority:</b> AS 42.05.141	AS 42.05.361	AS 42.05.431
AS 42.05.151	AS 42.05.371	AS 42.05.830
AS 42.05.311	AS 42.05.381	AS 42.05.840
AS 42.05.321		

### Article 3. Simplified Pipeline Tariffs.

#### Section

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#### Section

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**3 AAC 48.450. Applicability and purpose.** (a) The provisions of 3 AAC 48.450 — 3 AAC 48.490 apply to a pipeline carrier proposing to implement or revise a simplified pipeline tariff for a designated pipeline facility.

(b) The purpose of 3 AAC 48.450 — 3 AAC 48.490 is to create a separate class of pipeline facilities under AS 42.06.620, each of which is referred to as a designated pipeline facility. A pipeline carrier may maintain as its effective tariff or as a portion of its effective tariff for a designated pipeline facility a simplified form of tariff. (Eff. 1/9/2009, Register 189)

<b>Authority:</b> AS 42.06.140	AS 42.06.390	AS 42.06.620
AS 42.06.350		

**3 AAC 48.452. Eligibility of pipeline facility subject to no permanent tariff.** (a) A pipeline carrier may file a simplified pipeline tariff containing rules complying with 3 AAC 48.462, rates complying with 3 AAC 48.464, or both, for a new pipeline facility, the new portion of an existing pipeline facility, or a pipeline facility or portion of a pipeline facility to be constructed.

(b) A pipeline carrier that has not had permanent tariff rules for an existing pipeline facility may file a simplified pipeline tariff containing rules complying with 3 AAC 48.462.

(c) A pipeline carrier that has not had permanent tariff rates for an existing pipeline facility may file a simplified pipeline tariff containing rates complying with 3 AAC 48.464.

(d) A pipeline carrier that has not had either permanent tariff rules or rates for an existing pipeline facility may file rules complying with 3 AAC 48.462, rates complying with 3 AAC 48.464, or both.

(e) A pipeline carrier may file a simplified pipeline tariff containing rules complying with 3 AAC 48.462, rates complying with 3 AAC 48.464, or both, for an existing pipeline facility not previously regulated under AS 42.05 or AS 42.06. (Eff. 1/9/2009, Register 189)

Authority: AS 42.06.140 AS 42.06.390 AS 42.06.620  
AS 42.06.350

**3 AAC 48.454. Eligibility of pipeline facility with permanent tariff.** (a) A pipeline carrier with a proposed designated pipeline facility not eligible under 3 AAC 48.452 may file a simplified pipeline tariff containing rules complying with 3 AAC 48.462, rates complying with 3 AAC 48.464, or both, along with a petition requesting that the commission declare the pipeline facility a designated pipeline facility eligible to operate under a simplified pipeline tariff. The petition must contain a statement that the pipeline carrier withdraws its tariff or specific tariff sheets filed under 3 AAC 48.200 — 3 AAC 48.410, as of the date the simplified pipeline tariff goes into effect.

(b) After notice and an opportunity for hearing, the commission will grant the petition and declare the proposed designated pipeline facility a designated pipeline facility if it finds that designated pipeline facility status is consistent with controlling law and is in the public interest. (Eff. 1/9/2009, Register 189)

Authority: AS 42.04.080 AS 42.06.140 AS 42.06.620  
AS 42.06.055 AS 42.06.350

**3 AAC 48.456. Date of designated pipeline facility status.** A pipeline facility that is the subject of a simplified pipeline tariff under 3 AAC 48.452 — 3 AAC 48.454 becomes a designated pipeline facility on the date the simplified pipeline tariff goes into effect. (Eff. 1/9/2009, Register 189)

Authority: AS 42.06.140 AS 42.06.350 AS 42.06.620

**3 AAC 48.458. Simplified pipeline tariff.** (a) A simplified pipeline tariff must contain rules complying with 3 AAC 48.462, rates complying with 3 AAC 48.464, or both. The provisions of 3 AAC 48.200 — 3 AAC 48.410 are generally applicable to simplified pipeline tariff filings under 3 AAC 48.450 — 3 AAC 48.490, except

(1) the provisions of 3 AAC 48.275(a), (c), (g), (h) and (i) do not apply to those filings; and

(2) as otherwise provided in 3 AAC 48.450 — 3 AAC 48.490.

(b) A simplified tariff filed under 3 AAC 48.452 must also state the proposed effective date of the simplified pipeline tariff. If the simplified pipeline tariff is filed under 3 AAC 48.454, the tariff must state that the effective date is the date the commission grants designated pipeline facility status.

(c) A pipeline carrier proposing to revise a simplified pipeline tariff for a designated pipeline facility shall file a complete replacement tariff, along with a markup version of the existing tariff identifying additions, deletions, or other changes. (Eff. 1/9/2009, Register 189)

Authority: AS 42.06.140

AS 42.06.350

AS 42.06.360

**3 AAC 48.460. Tariff letter for simplified pipeline tariffs.**

(a) A pipeline carrier proposing to implement a simplified pipeline tariff for the first time for a proposed designated pipeline facility shall file a tariff letter that

(1) if filed under 3 AAC 48.452, specifies an effective date for the simplified pipeline tariff at least 90 days following the date of filing; if an earlier effective date is requested the tariff letter must state good cause for the tariff to take effect on the earlier date;

(2) specifies whether the filing is made under 3 AAC 48.452(a), (b), (c), (d), or (e), or 3 AAC 48.454(a);

(3) specifies whether the filing proposes to implement rules, rates, or both, and describes the proposed rules, rates, or both;

(4) attaches an affidavit attesting that the rules, rates, or both comply with 3 AAC 48.462, 3 AAC 48.464, or both, as applicable.

(b) A pipeline carrier with a permanent tariff in effect under 3 AAC 48.200 — 3 AAC 48.410 shall specify that the tariff or specified sheets of the tariff filed under 3 AAC 48.450 — 3 AAC 48.490 will supersede some or all of the existing tariff as of the date the simplified pipeline tariff goes into effect.

(c) A pipeline carrier proposing to revise a simplified pipeline tariff for a designated pipeline facility shall file a tariff letter that

(1) specifies an effective date for the replacement simplified pipeline tariff at least 90 days following the date of filing; if an earlier effective date is requested the tariff letter must state good cause for the tariff to take effect on the earlier date;

(2) describes the proposed revisions; and

(3) attaches an affidavit attesting that the revised rules or rates comply with the requirements of 3 AAC 48.462 or 3 AAC 48.464, as applicable.

(d) Each tariff advice letter filed under this section must be designated as TL[number] followed by a hyphen and the number of the pipeline carrier's certificate of public convenience and necessity, if issued. If the pipeline carrier has previously filed tariff letters for tariffs filed under 3 AAC 48.200 — 3 AAC 48.410 or 3 AAC 48.450 —

3 AAC 48.490, the TL number must be the next consecutive number.  
(Eff. 1/9/2009, Register 189)

Authority: AS 42.06.140

AS 42.06.350

AS 42.06.360

**3 AAC 48.462. Simplified pipeline tariff rules.** (a) In addition to the requirements of 3 AAC 48.360 and as applicable 3 AAC 48.370, rules contained in a simplified pipeline tariff must include

(1) a statement setting out the location of the principal place of business and the location where the books and records are kept;

(2) a statement that the pipeline carrier's books and records are kept in accordance with 3 AAC 48.277, or that the accounts of the pipeline carrier are kept in a manner enabling the pipeline carrier to furnish the books and records in compliance with 3 AAC 48.277;

(3) a description of the oil, gas, or product quality, temperature of transported substance, and any other applicable specifications, including pipeline pressure specifications;

(4) if the designated pipeline facility transports crude oil or products, a statement that upon request the pipeline carrier will provide common carriage over the designated pipeline facility;

(5) if the designated pipeline facility transports natural gas, either

(A) a statement that upon bona fide request the pipeline carrier will provide common carriage over the designated pipeline facility; or

(B) a statement that upon bona fide request the pipeline carrier will provide firm transportation service and interruptible transportation service over the designated pipeline facility in compliance with (b) of this section;

(6) a statement of how to apply for service and interconnection, including the name, title, and address of the designated contact for the pipeline carrier; and

(7) a statement describing the invoicing practices of the pipeline carrier and the obligations of the shipper to pay invoices, including the timing of invoicing and payment.

(b) If simplified tariff rules provide for firm and interruptible transportation services, simplified tariff rules must provide that

(1) upon bona fide request for interruptible transportation service, a natural gas pipeline carrier that provides service under firm and interruptible rules shall provide interruptible transportation service to the degree capacity is unused by firm shippers;

(2) upon bona fide request for firm transportation service, a natural gas pipeline carrier shall

(A) provide firm transportation service if sufficient capacity exists; or

(B) if sufficient capacity does not exist, provide interruptible transportation service and commit to secure additional capacity in accordance with (3) and (4) of this subsection;

(3) if sufficient capacity is not available to meet a bona fide request for firm transportation service, the pipeline carrier shall immediately request all existing firm shippers to identify any firm capacity on the designated pipeline facility that the shipper is willing to release back to the pipeline carrier for re-contracting to the party seeking firm service; the pipeline carrier shall offer to the entity seeking firm transportation service the right to acquire the released or assigned firm capacity up to the amount of its initial request;

(4) if firm transportation service secured by the pipeline carrier under (3) of this subsection is not sufficient to meet the bona fide request, the pipeline carrier shall expand the designated natural gas pipeline facility if the shipper requesting expanded capacity for firm transportation service fully pays for the additional firm transportation capacity requested; the pipeline carrier shall credit the amount of payment provided against future rates payable by the shipper, provide additional firm transportation capacity on a rolled-in rate basis, and complete the expansion of the designated pipeline facility by the end of the construction season following the granting of timely filed applications for any permits necessary to authorize the expansion;

(5) if the expansion of the designated pipeline facility is not completed within the time period specified in (4) of this subsection, the pipeline carrier shall provide prorated service to all firm shippers, including the entity requesting additional firm capacity, until the expanded capacity is available; and

(6) the pipeline carrier's commitment and offer to provide firm and interruptible transportation service, and to expand the designated pipeline facility to provide additional firm transportation capacity, continue regardless of whether the designated pipeline facility continues to operate under simplified pipeline tariff rules. (Eff. 1/9/2009, Register 189)

Authority: AS 42.06.140                      AS 42.06.360                      AS 42.06.380  
                  AS 42.06.350                      AS 42.06.370                      AS 42.06.410

**3 AAC 48.464. Simplified pipeline tariff rates.** (a) Rates contained in an initial simplified pipeline tariff must be less than or equal to rates computed using

- (1) a cost-of-service component that consists of
  - (A) total actual annual operating costs up to and including \$10,000,000 and less than or equal to the sum of
    - (i) 10 percent of the initial rate base of \$1,000,000 or less;
    - (ii) 7.5 percent of the initial rate base over \$1,000,000 up to and including \$5,000,000; and
    - (iii) five percent of the initial rate base over \$5,000,000;
  - (B) an annual depreciation expense calculated using straight-line depreciation and a 25-year economic life;

(C) a return on rate base equal to the rate of return specified in (3) of this subsection multiplied by the rate base specified in (2) of this subsection; and

(D) annual ad valorem taxes based on the mill rate adopted under

(i) AS 43.56.010 for crude oil and gas pipelines; or

(ii) AS 29.45.010 for product pipelines;

(2) a rate base component composed of beginning plant costs less prior accumulated depreciation, if any, and working capital of 2.5 percent of beginning plant costs; and

(3) a rate-of-return component with an overall weighted pretax cost of capital of 14.1 percent.

(b) Total annual operating costs under (a)(1)(A) of this section must be exclusive of depreciation and ad valorem taxes.

(c) The rate design for rates contained in a simplified pipeline tariff must be either a single system-wide rate or mileage-proportional rates and

(1) if the carrier is providing common carriage service, the rate design must include a volumetric rate based on throughput; or

(2) if the carrier is providing firm and interruptible service, the rate design must include a reservation fee or similar charge for reservation of capacity complying with AS 42.06.350(c)(1).

(d) The collection of money for dismantlement, removal, and restoration is waived for the period the designated pipeline facility operates under rates contained in a simplified pipeline tariff. The pipeline carrier may not, through future revised rates, recover any portion of the dismantlement, removal, and restoration money waived under this subsection.

(e) The initial estimated throughput used to calculate rates for a new pipeline facility with less than 15 months' operating experience must be the estimated average annual throughput during the first three years of operation. The initial estimated throughput used to calculate rates for a pipeline facility with 15 or more months' operating experience must be the actual annual throughput during the most recent four calendar quarters.

(f) A pipeline carrier collecting rates filed under 3 AAC 48.200 — 3 AAC 48.410 that proposes to revise its rates by implementing simplified pipeline tariff rates shall comply with the requirements of (a), (b), and (c) of this section and the following requirements:

(1) plant balances, accumulated depreciation, additions, and retirements shall be based upon

(A) actual beginning plant balances, accumulated depreciation, additions, and retirements authorized by the commission to be included in rates; or

(B) in the absence of a specific authorization by the commission, amounts used to determine rates in the pipeline carrier's previous rate filings;

(2) undepreciated plant balances must be depreciated using the straight-line method based on a 25-year economic life reduced by the number of years the designated pipeline facility was in public service before the filing of a simplified pipeline tariff.

(g) A pipeline carrier with simplified pipeline tariff rates in effect may file revised rates below the currently effective rates without providing information required by 3 AAC 48.466. This subsection does not relieve the pipeline carrier of the obligation to file revised rates in compliance with (h) of this section.

(h) A pipeline carrier with simplified pipeline tariff rates shall file revised rates no later than first quarter of the third calendar year following the effective date of the most recent rates filed under (a) of this section.

(i) Revisions to simplified pipeline tariff rates may be submitted in accordance with 3 AAC 48.275 or this section. Revised rates filed under this section must be calculated in accordance with (a), (b), and (c) of this section and the following requirements:

(1) operating costs for revised rates must be based on initial operating costs, indexed upward or downward as follows:

(A) the index is the Producer Price Index for Finished Goods (PPI-FG) using a 1982 base year, as published by the United States Department of Labor, Bureau of Labor Statistics (BLS) in the PPI Detailed Report, or equivalent data retrieved from <http://www.bls.gov> as Series ID WPUSOP3000;

(B) the operating costs for revised rates are the initial operating costs, divided by the PPI-FG reported for the month in which the initial operating costs were filed, multiplied by the PPI-FG

(i) for the month nearest to the date of the current filing; and

(ii) that is not identified as preliminary or subject to revision or correction;

(C) each filing that includes an indexing calculation must

(i) clearly identify the value and month of the PPI-FG used in each step of the calculation; and

(ii) include a copy of each BLS report that was used to obtain the data, or a printout of the equivalent data retrieved from the BLS website;

(2) property balances for revised rates must include adjustments, for actual additions and actual retirements including accumulated depreciation balances, to plant balances, as reflected in the most recent previous filing under this section;

(3) estimated throughput for revised rates must be based upon actual throughput for the most recent four calendar quarters. (Eff. 1/9/2009, Register 189)

Authority: AS 42.06.140 AS 42.06.370 AS 42.06.390  
AS 42.06.350 AS 42.06.380 AS 42.06.410  
AS 42.06.360

**3 AAC 48.466. Supporting information for simplified pipeline tariff rates.** (a) A pipeline carrier filing a simplified pipeline tariff to implement simplified pipeline tariff rates for the first time shall file with the tariff

(1) an affidavit itemizing actual plant expenditures by major asset class and attesting that all plant costs were prudently incurred and expended solely for the purpose of providing the regulated service; and

(2) an affidavit stating the basis for the actual or estimated throughput level and attesting that the actual or estimated throughput level complies with 3 AAC 48.464(e) and is based on the most accurate information available at the time of the filing.

(b) A pipeline carrier proposing to revise simplified pipeline tariff rates voluntarily or as required by 3 AAC 48.464(h) shall file with the tariff

(1) an affidavit itemizing any additions to or retirements of plant by major asset class and attesting that all additional plant costs were prudently incurred and expended solely for the purpose of providing the regulated service; and

(2) an affidavit stating the basis for the actual or estimated throughput level and attesting that the actual or estimated throughput level is based on the most accurate information available at the time of the filing. (Eff. 1/9/2009, Register 189)

Authority: AS 42.06.140 AS 42.06.370 AS 42.06.390  
AS 42.06.350 AS 42.06.380 AS 42.06.410  
AS 42.06.360

**3 AAC 48.468. Rejection, suspension, notice, and effective date.** (a) In accordance with 3 AAC 48.310, the commission may reject a simplified pipeline tariff that does not meet the requirements of 3 AAC 48.450 — 3 AAC 48.490.

(b) A simplified pipeline tariff meeting the requirements of 3 AAC 48.450 — 3 AAC 48.490 will be noticed to the public in accordance with 3 AAC 48.280. A petition to declare the pipeline facility a designated pipeline facility eligible to operate under a simplified pipeline tariff will be noticed to the public as part of the simplified pipeline tariff filing.

(c) Except as provided in 3 AAC 48.474(b), simplified pipeline tariff rules under 3 AAC 48.462 or rates filed under 3 AAC 48.464 are effective on the 91st day after filing unless

(1) the commission suspends the simplified pipeline tariff filing and opens an investigation into the filing; or

(2) upon request by the applicant for good cause shown the commission determines to shorten the period before which the tariff rules, rates, or both become effective.

(d) A simplified pipeline tariff filed under 3 AAC 48.454(a) takes effect on the date of the commission order granting the petition requesting designated pipeline facility status. (Eff. 1/9/2009, Register 189)

Authority: AS 42.04.080                      AS 42.06.140                      AS 42.06.400  
                   AS 42.06.055                      AS 42.06.350

**3 AAC 48.470. Exemption from AS 42.05.** A designated pipeline facility with an effective simplified pipeline tariff is exempt under AS 42.05.711(d) from the provisions of AS 42.05. (Eff. 1/9/2009, Register 189)

Authority: AS 42.05.711                      AS 42.06.140

**3 AAC 48.474. Protests and settlements.** (a) A person may protest a simplified pipeline tariff under 3 AAC 48.130. Upon the filing of a protest, or upon the commission's own motion, the commission will open a docket and appoint a settlement judge who shall

(1) convene a settlement meeting with the parties within 10 days of the initial order opening the docket;

(2) work with the parties to resolve the disputed issues within 60 days of the initial order opening the docket by assisting the parties in reaching an agreement to withdraw the protest and to move the commission to close the docket under 3 AAC 48.090(d)(2); and

(3) if the settlement process does not resolve all issues, file a report within 10 days of the conclusion of the settlement process identifying to the commission each issue that remains unresolved.

(b) If a docket is opened under (a) of this section, proposed simplified pipeline tariff rules or rates take effect 121 days after their filing unless suspended or otherwise ordered by the commission.

(c) If the settlement process does not resolve all issues, the commission may suspend the tariff filing and order additional proceedings and filings as required by AS 42.04 and AS 42.06.

(d) The commission will assign an administrative law judge other than the assigned settlement judge to preside over any proceeding required under (c) of this section. (Eff. 1/9/2009, Register 189)

Authority: AS 42.04.070                      AS 42.06.055                      AS 42.06.350  
                   AS 42.04.080                      AS 42.06.140                      AS 42.06.400

**3 AAC 48.476. No precedential effect.** Tariff rules adopted and approved under 3 AAC 48.462 and tariff rates adopted and approved under 3 AAC 48.464 are not precedent for tariff rules or rates filed under other provisions of this chapter. (Eff. 1/9/2009, Register 189)

Authority: AS 42.06.140

**3 AAC 48.490. Definitions.** In 3 AAC 48.450 — 3 AAC 48.490, unless the context requires otherwise,

(1) "BLS" means the United States Department of Labor, Bureau of Labor Statistics;

(2) "bona fide request" means a request for transportation service made by a shipper or potential shipper that

(A) has natural gas capable of being shipped on the designated pipeline facility; and

(B) if requesting expansion, is capable of advancing and will advance the necessary and reasonable capital to pay for any necessary expansion of the designated pipeline facility;

(3) "calendar quarter" means the three-month periods ending March 31, June 30, September 30 and December 31 of each year;

(4) "designated pipeline facility" means, as identified in a simplified pipeline tariff and accompanying tariff letter or petition, either the entirety of a new or an existing pipeline facility, or the new extension of an existing pipeline facility that qualifies as a designated pipeline facility under 3 AAC 48.456;

(5) "firm transportation service" has the meaning given in AS 42.06.630;

(6) "interruptible transportation service" has the meaning given in AS 42.06.630;

(7) "PPI-FG" means the Producer Price Index for Finished Goods using a 1982 base year, as published by the United States Department of Labor, Bureau of Labor Statistics (BLS) in the PPI Detailed Report, or equivalent data retrieved from <http://www.bls.gov> as Series ID WPUSOP3000. (Eff. 1/9/2009, Register 189)

Authority: AS 42.06.140

AS 42.06.350

**Article 4. Cost-of-Service Study and Rate Design Information for Electric Utilities.**

**Section**  
500. Application and purpose  
510. Pricing objectives  
520. Costs as basis for rates  
530. Cost measures

**Section**  
540. Cost-of-service methods  
550. Rate design  
560. Related activities

**3 AAC 48.500. Application and purpose.** (a) 3 AAC 48.500 — 3 AAC 48.560 apply to all electric utilities subject to the regulatory jurisdiction of the commission under AS 42.05.361 — 42.05.441.

(b) The purpose of 3 AAC 48.500 — 3 AAC 48.560 is to set out standard guidelines for cost-of-service methodology and pricing objectives for use by regulated electric utilities in preparation of cost-of-service studies, rate design, and related activity filings. (Eff. 11/22/84, Register 92)

<b>Authority:</b> AS 42.05.141	AS 42.05.381	AS 42.05.691
AS 42.05.151	AS 42.05.391	AS 42.05.990
AS 42.05.361	AS 42.05.451	

**Editor's note:** As of Register 170 (July 2004), the regulations attorney made a technical revision under AS 44.62.125(b)(6) to correct an authority citation for 3 AAC 48.500.

**3 AAC 48.510. Pricing objectives.** (a) The following are the primary objectives for the pricing of electricity:

- (1) the cost causer should be the cost payer;
- (2) the revenue requirement or utility financial need;
- (3) equity, which includes the fair-cost apportionment of revenue among customer classes;
- (4) conservation; and
- (5) optimal use, which includes considerations of efficiency.

(b) The commission will, in its discretion, consider other pricing objectives on a case-by-case basis. (Eff. 11/22/84, Register 92)

<b>Authority:</b> AS 42.05.141	AS 42.05.361	AS 42.05.391
AS 42.05.151	AS 42.05.381	AS 42.05.691

**3 AAC 48.520. Costs as basis for rates.** The fundamental basis for establishing rates in order to meet pricing objectives is costs. The commission will, in its discretion, for appropriate reasons, consider noncost standards in establishing electricity rates. (Eff. 11/22/84, Register 92)

<b>Authority:</b> AS 42.05.141	AS 42.05.361	AS 42.05.391
AS 42.05.151	AS 42.05.381	

**3 AAC 48.530. Cost measures.** Accounting costs, embedded or fully distributed, are the primary basis for designing electricity rates. The commission will, in its discretion, upon an appropriate evidentiary basis, consider marginal or incremental costs in designing electricity rates. (Eff. 11/22/84, Register 92)

<b>Authority:</b> AS 42.05.141	AS 42.05.361	AS 42.05.391
AS 42.05.151	AS 42.05.381	

**3 AAC 48.540. Cost-of-service methods.** (a) Each electric utility that sells 100,000,000 kilowatt-hours or more annually shall submit an accounting cost-of-service study in each rate case in conformance with (c) — (h) of this section. To support that study, the utility shall submit prefiled direct testimony in conformance with 3 AAC 48.275(a)(14).

(b) Each electric utility that sells less than 100,000,000 kilowatt-hours annually shall submit an accounting cost-of-service study when proposing new rate designs, or upon reasonable notice by the commission, in conformance with (c) — (h) of this section. To support that

study, the utility shall submit prefiled direct testimony in conformance with 3 AAC 48.275(a)(14).

(c) Each electric utility shall use the general framework developed in the **NARUC Electric Utility Cost Allocation Manual (1973)** as the foundation for conducting an accounting cost-of-service study. This framework consists of the following primary components or steps:

- (1) costs are functionalized as production, transmission, or distribution;
- (2) functionalized costs are subdivided or classified into demand, energy, or customer costs; and
- (3) functionalized and classified costs are finally allocated to rate or customer classes.

(d) Each electric utility shall use customer demand and energy usage characteristics as the method for establishing rate classes for the customers it serves. Residential, small commercial, large commercial, and street lighting are the preferred classification titles for reflecting classes with homogeneous load characteristics. However, the commission will, in its discretion, consider alternative classifications provided that appropriate justification based on load research and consumer bill impact analysis is presented.

(e) In a cost-of-service study required by this section, demand capacity costs will be considered as follows:

(1) Each electric utility that sells 100,000,000 kilowatt-hours or more annually shall provide cost-of-service analyses that show the impact of

(A) allocating demand-related generation and transmission costs to rate classes on the basis of both the peak responsibility method and the average and excess method; and

(B) allocating demand-related distribution costs on the basis of the noncoincident peak method.

(2) Each electric utility that sells less than 100,000,000 kilowatt-hours annually shall provide cost-of-service analyses that show the impact of

(A) allocating demand-related generation and transmission costs to rate classes on the basis of the peak responsibility method; and

(B) allocating demand-related distribution costs on the basis of the noncoincident peak method.

(3) In addition to the methods required by this section, each electric utility may present to the commission additional analyses with appropriate justification which show the impact of using other methods to allocate demand costs.

(f) In a cost-of-service study required by this section, customer costs will be considered as follows:

(1) Customer costs may include

(A) carrying costs associated with service lines from the transformer to the meter, meters, and installations on customer premises; and

(B) meter-reading expense, customer installation expense, meter maintenance, and customer accounting and billing expense.

(2) Customer costs may not include

(A) any portion of the distribution system costs, which will be considered and classified as demand-related costs;

(B) any portion of the transmission system; or

(C) any portion of the generation system.

(g) Except as noted in (e) and (f) of this section, where the **NARUC Electric Utility Cost Allocation Manual** (1973) allows for the use of two or more approaches in addressing a cost-of-service issue, an electric utility shall provide explanation and justification for the use of its selected approach.

(h) Each electric utility shall state the unit customer, energy, and demand if applicable, cost components for each customer class for each cost-of-service study which is submitted. (Eff. 11/22/84, Register 92; am 5/5/2000, Register 154)

Authority: AS 42.04.080  
AS 42.05.141  
AS 42.05.151

AS 42.05.361  
AS 42.05.381

AS 42.05.391  
AS 42.05.691

**Editor's note:** NARUC is the National Association of Regulatory Utility Commissioners. A copy of the *NARUC Electric Utility Cost Allocation Manual* mentioned in 3 AAC 48.540(c) and (g) is available for inspection at the offices of the Regulatory Commission of Alaska as specified in 3 AAC 48.010(a).

**3 AAC 48.550. Rate design.** (a) The customer or fixed charge may recover only those customer costs defined in 3 AAC 48.540(f)(1)(A) and (B). However, the commission will, in its discretion, consider requests to increase or decrease the fixed charge when the electric utility or any other party submits to the commission appropriate justification and analysis which relates to its pricing objectives.

(b) Each electric utility shall use flat rates as the standard rate form for all customer classes. However, the commission will, in its discretion, upon submission of appropriate justification and analysis, including load research data, approve an alternative rate form.

(c) An electric utility may recover demand costs through rates as follows:

(1) each electric utility shall implement a three-part rate that includes a customer charge, a demand charge, and an energy charge to at least all customers consuming in excess of 7,500 kilowatt-hours per month or with a maximum demand of 20 kilowatts per month for three consecutive months; or

(2) in the absence of a separate demand charge as provided for under (c)(1) of this section, demand costs are recoverable through the energy charge.

(d) Conditions for use of seasonal rates by an electric utility are as follows:

(1) each electric utility shall implement seasonal rates where the

rates are demonstrated to be cost-justified and cost-beneficial for the utility system; and

(2) each electric utility that sells 100,000,000 kilowatt-hours or more annually shall provide, upon reasonable notice by the commission, appropriate cost-of-service analysis and cost-benefit analysis that address the reasonableness of implementing seasonal rates.

(e) Based on its cost-of-service analysis in conformance with 3 AAC 48.540(c) - (h), each electric utility shall submit its preferred or recommended rates for all customer classes.

(f) The recommended or preferred rates submitted by an electric utility in compliance with (e) of this section must be accompanied by the following:

(1) a comparison or summary of existing and proposed new rates for each customer class; and

(2) a customer bill impact analysis which illustrates the percentage impact of the proposed rates at various levels of customer usage.

(g) Each electric utility shall design and, upon approval of the commission, distribute informative and understandable customer bills. Customer bills must, at a minimum, separately identify the following information for the billing period: customer charges; total kilowatt-hour consumption and associated energy charges; monthly kilowatt maximum demand and associated demand charges; and the energy surcharge, if appropriate. If billing is based upon an estimate, the customer bill must reflect this information. (Eff. 11/22/84, Register 92)

Authority: AS 42.05.141                      AS 42.05.361                      AS 42.05.391  
                  AS 42.05.151                      AS 42.05.381                      AS 42.05.691

**3 AAC 48.560. Related activities.** (a) Each electric utility shall develop and implement customer education and information programs for existing and new rate designs.

(b) Each electric utility which sells 100,000,000 kilowatt-hours or more annually shall develop and conduct load-research activities for all customer classes in conformance with guidelines promulgated by the commission. (Eff. 11/22/84, Register 92)

Authority: AS 42.05.141                      AS 42.05.151                      AS 42.05.691

### Article 5. Applications Generally.

Section	Section
600. Scope of regulations	ing competing applications; public hearing
610. (Repealed)	648. Complete applications
620. Form	650. Incomplete applications
625. Pipeline carrier application	652. Supplemental information
630. Content	654. Contested applications
640. Special kinds of applications	656. Separate applications.
645. Applications: notice, deadline for fil-	660. Burden of proof

**Section**

661. Timelines for consideration of applications

**3 AAC 48.600. Scope of regulations.** The regulations in 3 AAC 48.600 — 3 AAC 48.660 set out

(1) the general information that must be furnished in all applications;

(2) the procedures which the commission will observe to prescribe appropriate specialized applications, application forms, and associated instructions for making specific kinds of applications; and

(3) other provisions relating to applications generally. (Eff. 1/13/73, Register 44; am 6/29/84, Register 90)

**Authority:** AS 42.05.141                      AS 42.05.231                      AS 42.06.250  
                   AS 42.05.151                      AS 42.06.140

**3 AAC 48.610. Modification or waiver.** Repealed 6/29/84.

**3 AAC 48.620. Form.** Every application and every application form prescribed by the commission must comply with the applicable requirements of 3 AAC 48.090 — 3 AAC 48.100, including those concerning filing, type of organization, general form, execution, and verification. However, the factual data set out in the numbered paragraphs and the exhibits attached to, and made a part of, an application will, in the commission's discretion, be prescribed by general order. (Eff. 1/13/73, Register 44; am 6/29/84, Register 90)

**Authority:** AS 42.05.141                      AS 42.05.231                      AS 42.06.250  
                   AS 42.05.151                      AS 42.06.140

**3 AAC 48.625. Pipeline carrier application.** (a) In addition to any other information or requirement specified by 3 AAC 48.600 — 3 AAC 48.660, a person requesting a right, power, privilege, or authority provided for in AS 42.06 shall file an application with the commission. An application must be in writing, and verified under oath by the applicant. Except as provided in (b) of this section, must contain:

(1) the names of applicants, business mailing addresses, electronic mail addresses, and contact telephone numbers;

(2) the name and address of the operator of the pipeline, if different from the applicants;

(3) a clear and concise statement of what right, power, privilege, or authority is being requested;

(4) the statutory or regulatory citation authorizing the right, power, privilege, or authority requested;

(5) a detailed description of the proposed service to be offered or discontinued, and the pipeline or facility to be constructed, operated, extended, expanded, interconnected, acquired or abandoned or otherwise modified, including

- (A) a United States Geological Survey topographic map or other map of similar quality showing the pipeline route, exact location of the pipeline facilities, and receipt and delivery points;
  - (B) a description of the length and diameter of the pipeline;
  - (C) a statement of the pipeline's capacity and projected life; and
  - (D) copies of all pipeline right-of-way agreements or, if right-of-way agreements are not finalized, copies of the most current right-of-way applications;
- (6) for new construction, the estimated system cost, annual operating expenses, description of financing arrangements, and projected rates;
- (7) for new construction, transfers of certificates of public convenience and necessity, or transfers of controlling interest,
- (A) a description of the ability and willingness of one or more applicants to provide the proposed services;
  - (B) for existing businesses, the applicants' most recent audited financial statements for the two most recent fiscal years preceding the date of the application;
  - (C) for new businesses, the audited financial statements for the two most recent fiscal years preceding the date of the application, of the entities that hold ownership interests; or
  - (D) if the audited financial statements required in (B) or (C) of this paragraph are unavailable, a request that the requirements of (B) or (C) of this paragraph be waived; a request for a waiver under this subparagraph must include
    - (i) a certification that independent audits are not performed;
    - (ii) financial statements consisting of, at a minimum, comparative balance sheets, income, and cash flow statements for the two most recent fiscal years preceding the date of the application, verified and certified for accuracy; and
    - (iii) a description of how the public convenience and necessity requires the service;
- (8) the names, addresses, and percentage ownership of owners holding five percent or more;
- (9) the names and addresses of the applicants' affiliated interests;
- (10) the location in this state where the applicants' books, accounts, papers, and records will be held as required by AS 42.06.430(5);
- (11) the names, titles, resumes, and responsibilities of key management employed or to be employed by the applicants;
- (12) if a substantial change or modification is contemplated in a pipeline or facility, a detailed description and analysis of the projected change in facilities, service, and transportation rates;
- (13) the names of persons that may be affected if the application is granted; and
- (14) a statement from a company official authorizing the commission to notice the application.

(b) If information satisfying the requirements of (a)(5) — (12) of this section is filed with a previous application submitted under this section, the applicant may reference that information and need not restate the information.

(c) The commission will provide notice of the application by hand, by United States mail or a similar delivery service, or by electronic mail to each person who

- (1) has filed a request for notice of applications; or
- (2) the commission believes is interested in the proposed application.

(d) The commission will rule on an application filed under this section in accordance with the timelines set out in 3 AAC 48.661, including extensions of those timelines for good cause. The commission will set out findings on good cause in an order extending the deadline. (Eff. 6/29/84, Register 90; am 5/5/2000, Register 154; am 4/24/2009, Register 190; am 2/16/2012, Register 201)

<b>Authority:</b> AS 42.04.080	AS 42.06.240	AS 42.06.300
AS 42.06.055	AS 42.06.250	AS 42.06.305
AS 42.06.140	AS 42.06.290	AS 42.06.340

**3 AAC 48.630. Content.** After notice and affording interested parties an opportunity to be heard in a general proceeding, the commission may prescribe the information to be included in the numbered paragraphs of applications, and the content of supporting exhibits for various kinds of applications with due regard to

- (1) the nature and complexity of the application;
- (2) the necessity of obtaining full disclosure of all pertinent facts relating to applicant's legal, financial, technical and managerial capabilities;
- (3) any other relevant factors. (Eff. 1/13/73, Register 44)

<b>Authority:</b> AS 42.05.141(1)	AS 42.05.151	AS 42.05.231
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**3 AAC 48.640. Special kinds of applications.** (a) In a general proceeding the commission may, after notice and affording interested parties an opportunity to be heard, enter a general order prescribing the information and supporting exhibits that shall be included in applications for

- (1) an original certificate of public convenience and necessity;
- (2) the revision of an outstanding certificate with respect to
  - (A) the delineation of service areas;
  - (B) the nature and extent of the authority granted;
  - (C) the scope of operations or services authorized;
  - (D) any authority that may be needed in connection with
    - (i) the elimination of competition and any undesirable duplication or paralleling of facilities;
    - (ii) the exchange of customers or facilities with another utility

in connection with a contract, arrangement, or plan to eliminate the overlapping of service areas; or

(E) any other matter.

(3) the sale, lease, rental, inheritance, assignment, receivership, or disposition of a certificate, or the controlling interest in a certificated public utility or pipeline carrier, by any means, under AS 42.05.281 or AS 42.06.305;

(4) the purchase, lease, rental, inheritance, assignment, receivership, or acquisition of a certificate, or the controlling interest in a certificated public utility or pipeline carrier, by any means, under AS 42.05.281 or AS 42.06.305;

(5) the joint use or interconnection of facilities under AS 42.05.321 or AS 42.06.340;

(6) the apportionment of joint rates under AS 42.05.401;

(7) the privilege of keeping books and records pertaining to a utility's intrastate operations any place other than within Alaska;

(8) the discontinuance or abandonment of service under AS 42.05.261 or AS 42.06.290; or

(9) any other matter.

(b) By general order issued in a general proceeding the commission may also prescribe

(1) detailed instructions for guidance in the preparation of applications;

(2) appropriate application forms and the conditions under which they may or shall be used and those under which they may not be used. (Eff. 1/13/73, Register 44; am 6/29/84, Register 90)

<b>Authority:</b>	AS 42.05.141	AS 42.05.281	AS 42.06.250
	AS 42.05.151	AS 42.05.321	AS 42.06.290
	AS 42.05.221	AS 42.05.401	AS 42.06.300
	AS 42.05.231	AS 42.05.491	AS 42.06.305
	AS 42.05.261	AS 42.06.140(a)	AS 42.06.340

**3 AAC 48.645. Applications: notice, deadline for filing competing applications; public hearing.** (a) An application for a certificate of public convenience and necessity; for an amendment to a certificate; for discontinuance, abandonment, or suspension of a service, facility, or route in whole or in part; for transfer of a certificate of public convenience and necessity; or for the authority to acquire or dispose of a controlling interest in a certificated public utility or pipeline carrier under AS 42.05.281 or AS 42.06.305; or any other application described in 3 AAC 48.625 and 3 AAC 48.640(a), will be noticed by the commission to the public in substantially the same manner and format as a tariff filing is noticed to the public under 3 AAC 48.280 — 3 AAC 48.290. If an application for a certificate, for an amendment to, or transfer of, a certificate, or for authority to acquire a controlling interest in a certificated utility or pipeline carrier, is filed by a utility or pipeline carrier that is not subject to economic

regulation by the commission, the public notice will state that fact, define the meaning of the term "economic regulation," and place the public on notice by explaining that, with respect to this applicant, the commission has no jurisdiction over matters that constitute economic regulation. The notice will cite the applicable statute, regulation, or other authority, under which the applicant is exempt or claims exemption from economic regulation.

(b) Except as to notices of applications for transfer of a certificate of public convenience and necessity or applications for authority to acquire a controlling interest in a certificated public utility, the notice issued under (a) of this section will invite comment from interested members of the public. The notice will also announce that a person who proposes to file an application to furnish the same, or substantially the same, service or facility to essentially the same service area or route, in whole or in part, thus creating the potential for mutually exclusive applications must file within 30 days after the date the original application is noticed to the public, a notice of intent to file a competing application. The person must then file the competing application within 90 days after the date the original application was noticed to the public. If no notice of intent to file a competing application is filed within the 30-day period following public notice, the commission will proceed to grant or deny the application for a certificate filed by the original applicant in accordance with the applicable provisions of AS 42.05.221 — 42.05.281 or AS 42.06.240 — 42.06.280.

(c) If the commission finds that two or more complete mutually exclusive applications have been timely filed, a public hearing will be held to afford an opportunity for examination of the applications on a comparative basis.

(d) For good cause shown, the commission will, in its discretion, modify the time periods prescribed in (b) of this section and permit supplements to initial applications. (Eff. 6/29/84, Register 90)

<b>Authority:</b>	AS 42.05.141	AS 42.06.140(a)	AS 42.06.290
	AS 42.05.151	AS 42.06.240	AS 42.06.300
	AS 42.05.221	AS 42.06.250	AS 42.06.305
	AS 42.05.231	AS 42.06.260	AS 42.06.340
	AS 42.05.241	AS 42.06.270	

**3 AAC 48.648. Complete applications.** (a) The provisions of this section apply to applications subject to timelines under AS 42.05.175 and to pipeline applications filed under 3 AAC 48.625.

(b) An application is complete when filed with the commission unless the application

(1) is rejected by the commission under 3 AAC 48.650(a) within the 15 business days after the date the application was filed;

(2) is accompanied by a request, described in (c) of this section, for waiver of a filing requirement, and the waiver request is subsequently denied;

(3) is accompanied by a petition, described in (d) of this section, for confidential treatment that is subsequently denied, and the records filed under seal are withdrawn under the procedures stated at 3 AAC 48.047; or

(4) does not include a proposed public notice of the application that complies with (e) of this section.

(c) For the purposes of (b)(2) of this section, an applicant requesting a waiver of any filing requirement must file a separate motion for waiver, accompanying the application, in compliance with the filing requirements of 3 AAC 48.805. An interested person wishing to file a response to a waiver request must file that response with the commission by the end of the public comment period. The applicant requesting the waiver wishing to file a reply to the response must file that reply with the commission within the five business days after the end of the public comment period. The commission will by order grant or deny the waiver request within 30 days after the end of the public comment period. An application accompanied by a waiver request is

(1) complete on the date the application is filed if all requested waivers of application filing requirements are granted and all other filing requirements are met; or

(2) rejected without prejudice to refile if any requested waiver of a filing requirement is denied.

(d) For the purposes of (b)(3) of this section, an applicant requesting confidentiality on any component of an application must file a separate petition for confidential treatment, accompanying the application, in compliance with 3 AAC 48.045. An interested person wishing to file an opposition to the confidentiality petition must file the opposition with the commission by the end of the public comment period. The applicant seeking confidential treatment wishing to file a reply to the opposition must file that reply with the commission within the five business days after the end of the public comment period. The commission will by order grant or deny the confidentiality petition within 30 days after the end of the public comment period. An application accompanied by a petition for confidential treatment is

(1) complete on the date the application was filed if the confidentiality petition is granted and all other filing requirements are met;

(2) complete on the date the application was filed if the confidentiality petition is denied, the confidentiality proponent does not request to withdraw the record, and all other filing requirements are met; or

(3) rejected without prejudice to refile if the confidentiality petition is denied and the commission grants a petition to withdraw the record under 3 AAC 48.047.

(e) An applicant shall file a proposed notice of the application with the commission, along with a purchase order reflecting that the applicant has arranged for publication of the notice in a newspaper of general circulation in this state. The notice must comply with 3 AAC 48.645 and contain

(1) a general description of the service proposed by the application;

(2) a request that interested parties file public comments with the commission at the address specified in the notice;

(3) a deadline for the public comment period of 21 days from the date of publication of the notice;

(4) a statement indicating whether any motions for waiver or petitions for confidentiality will be filed with the application, along with a description of the information subject to the motion for waiver or petition for confidentiality;

(5) the physical and mailing address and telephone number of the applicant;

(6) the commission's mailing address and website address;

(7) a statement that the commission has not determined whether the application is complete;

(8) a statement of the deadline for the commission to determine whether the application is complete; and

(9) a statement that the application will be available for review at the offices of the commission upon filing, along with a statement of the date that the application will be filed with the commission.

(f) Within five business days after the filing of an application and proposed notice, the commission will arrange for publication of the notice in a newspaper of general circulation in this state.

(g) In this section, "business day" means a day other than Saturday, Sunday, or a state holiday. (Eff. 10/16/2009, Register 192)

<b>Authority:</b>	AS 42.04.080	AS 42.05.241	AS 42.06.240
	AS 42.05.141	AS 42.05.281	AS 42.06.250
	AS 42.05.151	AS 42.05.661	AS 42.06.260
	AS 42.05.175	AS 42.05.810	AS 42.06.270
	AS 42.05.221	AS 42.06.140	AS 42.06.305
	AS 42.05.231		

**3 AAC 48.650. Incomplete applications.** (a) The commission may dismiss an application that

(1) does not comply with a requirement established by statute or regulations and forms adopted by the commission;

(2) contains a request for waiver that does not comply with 3 AAC 48.648(c); or

(3) contains a petition for confidential treatment that does not comply with 3 AAC 48.648(d).

(b) If an application is found to be partially incomplete, the commission will issue an order explaining why the application is being dismissed.

(c) Repealed 10/16/2009. (Eff. 1/13/73, Register 44; am 10/16/2009, Register 192)

Authority: AS 42.05.141 AS 42.05.241 AS 42.06.270  
AS 42.05.151 AS 42.06.140

**3 AAC 48.652. Supplemental information.** After issuing an order finding an application to be complete, the commission may require that the applicant provide supplemental or clarifying information that the commission determines is necessary for the commission to reach a decision in the application. The commission will request the applicant furnish the information by a specified date. If the applicant fails to respond on or before the specified date, the commission will proceed with the application as filed. (Eff. 10/16/2009, Register 192)

Authority: AS 42.05.141 AS 42.05.151 AS 42.06.140

**3 AAC 48.654. Contested applications.** (a) Before the close of the comment period, an interested person may file with the commission comments or a protest of the application under 3 AAC 48.100.

(b) A protest of an application must include

(1) specific grounds for the protest, including a listing of facts in dispute;

(2) any steps the applicant may take to mitigate the protest;

(3) any conditions the commission should consider applying to the application if approved; and

(4) a petition to intervene under 3 AAC 48.110.

(c) If a filing does not contain the information required in (b) of this section, the commission will consider the filing to be comments.

(d) An applicant wishing to file a response to the protest must file that response with the commission within the 10 days after the close of the comment period.

(e) The commission will issue an order indicating whether there will be a hearing on the application within 15 days after the filing of the applicant's response to the protest. (Eff. 10/16/2009, Register 192)

Authority: AS 42.04.080 AS 42.05.171 AS 42.06.140  
AS 42.05.141 AS 42.05.221 AS 42.06.240  
AS 42.05.151 AS 42.06.055

**3 AAC 48.656. Separate applications.** (a) An applicant for commission designation under 3 AAC 53.400 — 3 AAC 53.499 as an eligible telecommunications carrier for more than one study area must file a separate application for each study area.

(b) An applicant for commission approval to acquire control of more than one certificate of public convenience and necessity may file a consolidated application for the multiple certificates of public convenience and necessity. The commission may consider the request to acquire control of each certificate of public convenience and necessity in a separate docket and may require the applicant to submit additional copies of supporting information.

(c) An applicant for commission approval for the issuance of more

than one certificate of public convenience and necessity must file a separate application for each proposed certificate of public convenience and necessity.

(d) Except as specified in (a) of this section, an applicant for commission approval to provide telecommunications service in more than one study area may submit a consolidated application for all areas. The commission may consider the request to provide service in each study area in a separate docket and may require the applicant to submit additional copies of supporting information. For the purpose of this subsection, "telecommunications" has the meaning given in AS 42.05.990.

(e) The commission will reject an application that does not meet the requirements of (a) or (c) of this section. (Eff. 10/16/2009, Register 192)

<b>Authority:</b> AS 42.05.141	AS 42.05.231	AS 42.06.140
AS 42.05.151	AS 42.05.281	AS 42.06.240
AS 42.05.221	AS 42.06.055	AS 42.06.305

**3 AAC 48.660. Burden of proof.** Every applicant shall have the burden of furnishing whatever information and data that may be required to prove to the commission's satisfaction that the applicant has, or will, comply with the governing law and the provisions of any applicable rule, regulation or order of the commission. When a governing law requires the commission to make a finding in regard to any application, the applicant shall, in each case, have the burden of furnishing whatever information, data, and documents may be required to prove to the commission's satisfaction that the finding is justified. (Eff. 1/13/73, Register 44)

**Authority:** AS 42.05.141 AS 42.05.151

**3 AAC 48.661. Timelines for consideration of applications.**

(a) Except for intrastate interexchange carrier applications governed by 3 AAC 52.360(d), the commission will rule on an application for a new certificate of public convenience and necessity within six months after the filing of a complete application.

(b) The commission will rule on an application to extend the service area authorized under an existing certificate of public convenience and necessity within six months after the filing of a complete application.

(c) The commission will rule on an application to transfer an existing certificate of public convenience and necessity within six months after the filing of a complete application.

(d) The commission will rule on an application to acquire a controlling interest in a certificated public utility or pipeline carrier within six months after the filing of a complete application.

(e) The commission will rule on an application to change the name of the holder of an existing certificate of public convenience and necessity within three months after the filing of a complete application.

(f) The commission will determine if an application is complete in accordance with 3 AAC 48.648.

(g) The commission will extend the periods for action set out in (a) — (f) of this section for good cause. The commission will set out findings on good cause in an order extending a deadline. (Eff. 5/5/2000, Register 154; am 5/18/2003, Register 166; am 10/16/2009, Register 192)

Authority:	AS 42.04.080	AS 42.05.221	AS 42.06.055
	AS 42.05.141	AS 42.05.241	AS 42.06.140
	AS 42.05.151	AS 42.05.281	AS 42.06.240

**Article 6. Simplified Rate Filing Procedures for Electric Cooperatives.**

Section	Section
700. Application and purpose	760. Target TIER determination
710. Filing requirements	770. Limitations on use of simplified procedure
720. Supporting information	780. Application of rate increases
730. Notice and effective date	790. Cost-of-service filings
740. Rate adjustments	
750. Calculation of TIER	

**3 AAC 48.700. Application and purpose.** (a) The purpose of 3 AAC 48.700 — 3 AAC 48.790 is to implement AS 42.05.381(e) and to establish simplified, expedited filing and rate adjustment procedures for those nonprofit electric cooperatives organized under AS 10.25 and regulated by the commission.

(b) If allowed or required by 3 AAC 48.740, an electric cooperative organized under AS 10.25 may adjust rates no more than quarterly based on the filing requirements and other conditions set out in 3 AAC 48.710 — 3 AAC 48.790. (Eff. 1/1/87, Register 100)

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

**3 AAC 48.710. Filing requirements.** (a) A rate adjustment filing under 3 AAC 48.700 — 3 AAC 48.790 is governed by 3 AAC 48.240 and 3 AAC 48.270.

(b) A cooperative that adjusts its rates under the authority of 3 AAC 48.700 — 3 AAC 48.790 shall then file all of the information required by 3 AAC 48.720 for whichever period is elected, quarterly or semi-annual, whether or not a change in rates is requested, until permission to discontinue the filing is granted by the commission or the cooperative submits a filing in accordance with AS 42.05.411 and 3 AAC 48.275. A cooperative that files the information required by 3 AAC 48.720 for each quarterly period shall file that information within 60 days after the end of each quarter, and a cooperative that files the information required by 3 AAC 48.720 for each semi-annual period shall file that information within 90 days after the end of the semi-annual period. (Eff. 1/1/87, Register 100)

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

**3 AAC 48.720. Supporting information.** (a) In accordance with 3 AAC 48.710(b), a cooperative shall file with the commission the following information for each quarterly or semi-annual period:

- (1) RCA Form 201 (Modified REA Form 7);
- (2) a schedule and explanation of all amortized expenses;
- (3) a schedule and explanation of all pro forma and normalizing adjustments;
- (4) a schedule and explanation of each line item on RCA Form 201 which has increased or decreased more than 10 percent from the previous 12-month period;
- (5) a schedule of the calculation of the cooperative's Times Interest Earned Ratio (TIER), calculated in accordance with 3 AAC 48.750;
- (6) a schedule showing the ratio of residential class kilowatt-hour sales to total kilowatt-hour sales for the current 12-month period and the ratio that existed when the cooperative last filed a cost-of-service study;
- (7) if appropriate, a schedule showing the ratio of retail kilowatt-hour sales as a percentage of total retail and wholesale kilowatt-hour sales, and the ratio that existed when the cooperative filed its last cost-of-service study; and
- (8) a copy of the cooperative's annual certified audit, including any adjusting journal entries.

(b) If a cooperative proposes to adjust rates in accordance with 3 AAC 48.740 based on its quarterly or semi-annual filing, the cooperative shall file with the commission the following additional information:

- (1) tariff sheets showing any proposed adjustments to the cooperative's rates;
- (2) if applicable, power cost equalization updates, including tariff sheets;
- (3) a copy of the resolution of the board of directors of the cooperative authorizing the requested increase in rates; and
- (4) a narrative description or evidence of the cooperative's actions taken to comply with the notice requirements in 3 AAC 48.730. (Eff. 1/1/87, Register 100; am 4/24/2004, Register 170)

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

**3 AAC 48.730. Notice and effective date.** (a) A cooperative's rate adjustment filing under 3 AAC 48.700 — 3 AAC 48.790 is governed by 3 AAC 48.280 and will become permanent at the end of the notice period described in AS 42.05.411 unless the commission suspends the

filing in accordance with AS 42.05.421. If the commission suspends the filing, the commission will, in its discretion, allow the filing to take effect on an interim basis, subject to refund.

(b) A cooperative shall provide to its customers prior individual notice of the intent of its board of directors to consider participation in the simplified rate filing procedure established in 3 AAC 48.700 — 3 AAC 48.790. That notice must include, at a minimum,

(1) the purpose of 3 AAC 48.700 — 3 AAC 48.790 and its possible effect on recurring electric rates on a quarterly or semi-annual basis, whichever is appropriate;

(2) the time and place of the board of director's meeting scheduled for consideration of the appropriateness and desirability of participation in the simplified rate procedure; and

(3) acknowledgment that the major responsibility for rate adjustments under the simplified procedure will rest with the board of directors of the cooperative rather than with the commission.

(c) A cooperative shall provide its customers with reasonable notice of any rate adjustments approved by its board of directors either before or at the time the rate adjustment takes effect. (Eff. 1/1/87, Register 100)

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

**3 AAC 48.740. Rate adjustments.** If a cooperative's TIER deviates from the cooperative's Target TIER, the cooperative may adjust rates in accordance with 3 AAC 48.700 — 3 AAC 48.790 to achieve its Target TIER. If a cooperative's TIER is more than five percent above the cooperative's Target TIER, the cooperative shall reduce rates to achieve its Target TIER. (Eff. 1/1/87, Register 100)

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

**3 AAC 48.750. Calculation of TIER.** A cooperative's TIER is calculated for the most recent 12-month period, based on the information filed in accordance with 3 AAC 48.720 and on the following principles:

(1) the annualized long-term interest expense for the period must be used;

(2) the actual operating expenses for the period must be normalized to remove nonrecurring items and to adjust for items normally amortized for ratemaking purposes, and may also be normalized to reflect pro forma adjustments for known and measurable changes that are more than likely to continue through the period in which the rates will be in effect;

(3) interest income must be included in the determination of TIER

to the extent that interest income exceeds short-term interest expense. (Eff. 1/1/87, Register 100)

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

**3 AAC 48.760. Target TIER determination.** (a) The Target TIER (Times Interest Earned Ratio) for a cooperative is the TIER approved by the commission in that cooperative's last general rate case or the TIER established under (b) of this section.

(b) By petition separate from another proceeding under 3 AAC 48.700 — 3 AAC 48.790, a cooperative may request that a new Target TIER be set, based on consideration of the cooperative's present equity levels, optimum equity levels, cost of debt, growth rate and capitalization, mortgage covenants, the capital credits retirement program of the cooperative, and other relevant factors. (Eff. 1/1/87, Register 100)

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

**3 AAC 48.770. Limitations on use of simplified procedure.** (a) Rate adjustments allowed under 3 AAC 48.700 — 3 AAC 48.790 may not exceed a cumulative 20 percent increase in any three-year period, or a cumulative eight percent in any 12-month period, excluding purchased power and fuel costs rate adjustments.

(b) For good cause shown, the commission will, in its discretion, revoke or deny a cooperative's authority to request an increase under the simplified rate filing procedure in 3 AAC 48.700 — 3 AAC 48.790. (Eff. 1/1/87, Register 100)

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

**3 AAC 48.780. Application of rate increases.** A rate increase granted under 3 AAC 48.700 — 3 AAC 48.790 must be applied as an across-the-board adjustment to all recurring charges, except the customer charge. (Eff. 1/1/87, Register 100)

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

**3 AAC 48.790. Cost-of-service filings.** To ensure that a cooperative's rates properly reflect the cost to serve the various classes of customers, a cost-of-service study in accordance with 3 AAC 48.540(c) — (h) must be filed if

(1) the residential class kilowatt-hour sales as a percentage of total kilowatt-hour sales, on an annual basis, changes by more than 5 percent from the percentage that existed when the cooperative last filed a cost-of-service study; or

(2) the retail kilowatt-hour sales as a percentage of total retail and wholesale kilowatt hour sales, on an annual basis, changes by more than 5 percent from the percentage that existed when the cooperative last filed a cost-of-service study; or

(3) the cooperative files a rate case complying with the requirements of AS 42.05.411 and 3 AAC 48.275, and if 3 AAC 48.540(a) or (b) requires that cooperative to file a cost-of-service study. (Eff. 1/1/87, Register 100)

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

**Article 7. Miscellaneous Provisions.**

Section	Section
800. General administrative provisions	812. (Repealed)
805. Waivers	814. (Repealed)
810. Delegation of authority	820. Definitions

**3 AAC 48.800. General administrative provisions.** (a) Each utility and pipeline carrier has the continuing responsibility to conform the language of its tariff with the definitions in 3 AAC 48 and 3 AAC 52. A definition that is not substantially the same must be revised by means of an appropriate tariff filing.

(b) Definitions contained in 3 AAC 52.080, 3 AAC 52.150 and 3 AAC 52.340 also apply to the defined words as they are used in 3 AAC 48.010 — 3 AAC 48.820. (Eff. 1/13/73, Register 44; am 6/29/84, Register 90)

Authority:	AS 42.05.141	AS 42.06.140(a)	AS 42.06.350
	AS 42.05.151		

**3 AAC 48.805. Waivers.** (a) Except for those that are also required under AS 42.05, any requirement in 3 AAC 48 may be modified or waived, in whole or in part, by order of the commission upon application and a showing of good cause or on the commission's own motion.

(b) Application for waiver under this section must be in writing and must set out the pertinent facts in sufficient detail to support a finding by the commission that no legitimate public interest will be served by enforcing the requirement designated in the application. An application under this section may be made to the commission by motion, petition, or, where appropriate, by a tariff advice letter.

(c) If modification of a requirement in 3 AAC 48 cannot be granted without also exempting the applicant from a provision of AS 42.05, the application for the modification or waiver must include application for exemption from the provision of AS 42.05.

(d) The commission will grant or deny an application, in whole or in part. The commission's decision will be announced by order or in a letter written "By Direction of the Commission." (Eff. 6/29/84, Register 90)

Authority: AS 42.05.141  
AS 42.05.151

AS 42.05.711(d)

AS 42.06.140(a)

**3 AAC 48.810. Delegation of authority.** The commission will, in its discretion, delegate to a commissioner or designated members of its staff any of its legal powers, duties, and responsibilities except that of making all final decisions. (Eff. 1/13/73, Register 44; am 6/29/84, Register 90)

Authority: AS 42.05.141

AS 42.05.151

AS 42.06.140(a)

**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, exceptions, 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, or the party's attorney of record or other authorized representative,

(A) either in person, by hand, by electronic means in accordance with this chapter, by depositing it in the United States mail, first class with postage prepaid, with or without certification, or registration and return receipt required, or by a similar delivery service; and

(B) 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;

(53) "business day" means a day other than Saturday, Sunday, or a state legal holiday;

(54) "written communication," "writing," "written," or submissions by a "writer," as applied to documents filed with the commission by persons, includes documents filed on paper and documents filed electronically when electronic filing is authorized by the commission. (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; am 2/16/2012, Register 201)

<b>Authority:</b>	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	

**Article 8. Compliance with Economic Stabilization Program.**

(No Regulations Filed)

## Chapter 49. Deregulation.

### Article

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

### Article 1. Deregulation Ballot: Election Procedure.

#### Section

- 10. Purpose
- 20. Certification of voter eligibility
- 30. Ballot preparation, distribution
- 40. Voting
- 50. Ballot security, processing, tabulation; certification of results

#### Section

- 60. Recount
- 70. Disposition of ballots, election materials
- 80. Miscellaneous
- 90. Waiver
- 100. Definitions

**3 AAC 49.010. Purpose.** (a) The purpose of 3 AAC 49.010 — 3 AAC 49.090 is to ensure that the election conducted under AS 42.05.712 will be organized and managed in such a manner that the public interest will be protected and that the integrity of the election process will be maintained. Thus, the utility subscriber or cooperative member will be assured that an election under AS 42.05.712 will be held in a fair, orderly, and impartial manner.

(b) The procedures set out in 3 AAC 49.010 — 3 AAC 49.090 must be adhered to. Adherence to these procedures is a prerequisite to obtaining commission certification of the election results under AS 42.05.712(e). (Eff. 8/14/80, Register 75)

**Authority:** AS 42.05.151(a) AS 42.05.712

**3 AAC 49.020. Certification of voter eligibility.** (a) If a subscriber or member is a subscriber or member on the 30th day before the date ballots are mailed or delivered, that person must be sent notice of the election and a ballot.

(b) If a subscriber or member has more than one account or more than one membership with the utility or the cooperative, the subscriber or member may cast one ballot for each account or membership if

(1) the utility's rules filed with and approved by the commission under 3 AAC 48 permit that procedure; or

(2) the cooperative's bylaws adopted under AS 10.25 permit that member to have more than one vote at the cooperative's annual meeting.

(c) A utility or cooperative conducting an election under AS 42.05.712 shall provide the commission with a certified list of its subscribers or members, their account or membership numbers, as applicable, and addresses to which it mailed or delivered a ballot. This certified list must contain one entry for each allowable vote in accordance with the utility's rules or the cooperative's bylaws for those subscribers or members who are permitted to cast more than one vote as prescribed in (b) of this section. (Eff. 8/14/80, Register 75; am 1/7/81, Register 77)

Authority: AS 42.05.151(a) AS 42.05.721

**3 AAC 49.030. Ballot preparation, distribution.** (a) The ballot must be printed on white paper. It may be printed on a punchcard. The ballot must be a separate document from the bill mailed to a subscriber or member. The ballot may contain only the text of the question as prescribed in AS 42.05.712(d) and such other neutral language as is actually necessary to identify the document as a deregulation ballot under AS 42.05.712 and to state the deadline for marking the ballot and returning it to the commission for tabulation.

(b) The ballot must be mailed with, or at the same time as, the subscriber's or member's bill. If for technical or mechanical reasons the ballot cannot be mailed or delivered with the subscriber's or member's bill as prescribed in AS 42.05.712(d), the ballot may be mailed or delivered separately from the bill, but it must be mailed or delivered at the same time as the bill. If the utility or the cooperative employs staggered or cyclical billing dates, all ballots must be mailed to subscribers or members on the applicable billing date.

(c) The envelope mailed or delivered to subscribers or members containing the ballot also may contain an instruction sheet explaining to the recipient that to ensure that a ballot will be counted, the voter must mark the ballot in the manner prescribed in 3 AAC 49.040(a), and that the voter's certificate must be executed and the ballot mailed in the manner prescribed in 3 AAC 49.040(c).

(d) The utility or cooperative shall mail or deliver to the commission all remaining ballots not mailed or delivered to its subscribers or members for disposition in accordance with 3 AAC 49.070. The utility or cooperative shall make this mailing or delivery to the commission within 15 days from the date it mailed or delivered ballots to its subscribers or members, together with a certification as to the number of ballots it printed, the number and date on which the ballots were mailed or delivered to subscribers or members, and the remaining number of ballots after that distribution was made.

(e) If a subscriber or member believes that he or she is eligible to vote in an election conducted under AS 42.05.712 but does not receive a ballot, that subscriber or member first must apply to the utility or cooperative for a ballot. If the utility or the cooperative rejects the subscriber's or member's request for a ballot, or if the supply of ballots has been turned over to the commission under (d) of this section, the subscriber or member may apply to the commission for determination of eligibility or for a ballot. If eligible, the commission will provide the subscriber or member with a ballot. (Eff. 8/14/80, Register 75; am 1/7/81, Register 77)

Authority: AS 42.05.151(a) AS 42.05.712

**3 AAC 49.040. Voting.** (a) A paper ballot may be marked with pen or pencil. A voter may mark his or her ballot only by the use of crossmarks, "X" marks, diagonal, horizontal or vertical marks, solid marks, stars, circles, asterisks, checks or plus signs that are clearly placed in the square or space opposite the choice or alternative the voter desires to designate with respect to the deregulation question. If a punchcard ballot is used and provision is made for punching out or otherwise removing the paper square or circle opposite the choice the voter desires to make, the paper square or circle must be removed in a manner that clearly indicates the voter's choice and so that the ballot may be tabulated either by hand or by mechanical means. If the punchcard ballot does not provide for removal of a paper square or circle, that ballot may be marked with pen or pencil as provided in this subsection. The mark specified in this subsection will be counted only if it is substantially inside the square or space provided, or touching the square or space, so that the mark indicates clearly that the voter intended the particular square or space to be designated. Improper marks on the ballot will not be counted. The rules set out in this section are mandatory and there will be no exceptions to them. A ballot may not be counted unless marked in compliance with these rules.

(b) If a voter improperly marks or otherwise damages his or her ballot, the voter may return the erroneously marked or damaged ballot to the utility or the cooperative and obtain another ballot. If the utility or the cooperative no longer has extra ballots, the voter may return the erroneously marked or damaged ballot to the commission and obtain another ballot. The utility, the cooperative, or the commission, as the case may be, shall record and certify the number of erroneously marked or damaged ballots, and these ballots must be destroyed without examination. The utility or the cooperative shall report that certification to the commission, and that certification whether by the utility, cooperative, or the commission, will become part of the commission's certification of the election results under 3 AAC 49.050(f).

(c) The utility subscriber or cooperative member is entitled to cast a secret ballot in an election conducted under AS 42.05.712. When the voter has completed marking the ballot, the marked ballot initially must be placed in a small envelope which the utility or cooperative is to provide. The only printing or text permitted on this small envelope may indicate that this is the envelope in which the marked ballot is to be placed before mailing it in the larger return-addressed envelope. The utility or cooperative also shall provide a larger envelope in which the small envelope containing the marked ballot must be enclosed. If two or more elections are being held at the same time, the commission will, in its discretion, require the utility or cooperative to use a larger envelope of a distinctive color other than white. The larger envelope must be addressed to the commission (at an address the commission designates) with pre-paid postage as prescribed in AS 42.05.712(d). The front of the larger envelope also must identify the utility or

cooperative to which it applies. That identification must be printed in substantially the following form: The utility's or cooperative's name followed by the phrase, "Election Ballot (AS 45.02.712)." A voter's certificate, including spaces for the voter's signature, the voter's name (either printed or typewritten), the voter's account or membership number, the voter's mailing address, and the date of signing, must be printed on the reverse side of the envelope. If the subscriber or member is eligible to cast more than one ballot under 3 AAC 49.020(c), each ballot must be mailed in a separate small envelope and enclosed in a separate large envelope containing the voter's certificate as prescribed in this subsection. (Eff. 8/14/80, Register 75)

Authority: AS 42.05.151(a) AS 42.05.712

**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).

**3 AAC 49.060. Recount.** (a) Within 10 days after the commission's review and certification of the election results under AS 42.05.712(e), an interested party, a utility or cooperative, or 10 eligible subscribers or members who cast ballots in the election and who believe there has been a mistake made by the commission, by a counting team, or by a ballot counting agent in tabulating the votes in the election, may file an application for a recount of the votes on that ballot question.

(b) If there is a tie vote, the commission will initiate the recount and notify the interested parties of the time, date, and place of the recount.

(c) The date on which the commission receives an application for a recount, rather than the date of mailing or transmission of the application, determines whether the application is filed within the time allowed under (a) of this section. If the actual physical delivery by telegram of a copy in substance of the statements made in the application for recount is received in the commission's office before 4:30 p.m., Alaska Standard or Daylight Time, as the case may be, on the due date, the application will be accepted; however, the original signed application must be postmarked at or before midnight, Alaska Standard or Daylight Time, as the case may be, of the same day.

(d) An application for recount must include a deposit in cash, by certified check, or by bond with surety approved by the commission. The amount of the deposit is \$1 per ballot based on the original count of valid ballots cast on the question. However, if the recount includes a question for which there was a tie vote on the issue, or the difference between the number of votes cast in favor of or in opposition to the question was 10 or less, or was less than .5 percent of the total votes cast in favor of or in opposition to the issue, the application need not include a deposit, and the commission will bear the cost of the recount. If the vote on the recount is determined to be four percent or more in

excess of the vote on the question reported by the commission on initial certification of the results as stated in the application, the entire deposit will be refunded. If the entire deposit is not refunded, the commission will refund any money remaining after the cost of the recount has been paid from the deposit.

(e) If the commission determines that the application for a recount is substantially in the required form, the commission will set the date of the recount. It will be held within 10 days after receipt of an application requesting a recount of the votes cast on the question.

(f) Utilities or cooperatives, or organized groups of subscribers or members, having a direct interest in the recount and who are seeking to protect their interests during a recount may provide at their own expense one or more observers to witness the recount.

(g) The commission will give the utility or cooperative, or any other interested party, or the one or more persons appointed to represent the applicant during the recount, notice of the time and place of the recount by certified mail, telegram, or telephone.

(h) In conducting the recount, the commission, or its appointed representative, will review all ballots, whether the ballots were counted by hand or by mechanical means, to determine which ballots were properly marked and which ballots are to be counted in the recount. The accuracy of the original count and the review of that count will be checked. The commission will check the number of ballots cast, the ballots rejected or questioned, those damaged or erroneously marked against the certified list of eligible voters, and the total number of ballots distributed. The rules governing the counting of hand-marked and punchcard ballots will be followed in the recount. The ballots and other election material will remain in the custody of the commission during the recount, and the highest degree of care will be exercised to protect the ballots against alteration or mutilation. The recount will be completed within 10 days after the date it begins. The commission will, in its discretion, employ additional personnel or contract with a ballot counting agent as under 3 AAC 49.050(b) to assist in the recount.

(i) On completion of the recount the commission will certify the results by order or letter order.

(j) A utility, a cooperative, or an interested party who requested a recount and who has reason to believe an error has been made in the recount involving the question or the validity of any ballot may appeal to the superior court in accordance with AS 44.62.560 — 44.62.570 and applicable court rules governing appeals in civil matters. Appeal must be filed within 10 days after the completion of the recount and its certification. Upon order of the court, the commission will furnish the record of the recount taken, including all ballots, registers, and other election material pertaining to the election. The inquiry in the appeal will extend to the questions whether or not the commission has properly determined what ballots or marks on ballots are valid, and to

which division of the question the vote should be attributed. (Eff. 8/14/80, Register 75)

Authority: AS 42.05.151(a) AS 42.05.712

**3 AAC 49.070. Disposition of ballots, election materials.** The commission will preserve all election certificates, tallies, registers or lists, and election materials for four years after the election conducted under AS 42.05.712. All ballots and return-addressed envelopes will, in the commission's discretion, be destroyed 30 days after the certification of the election results unless an application for recount has been filed and not completed, or unless their destruction is stayed by court order. The commission will, in its discretion, permit the inspection of election materials upon order of a court of competent jurisdiction. (Eff. 8/14/80, Register 75)

Authority: AS 42.05.151(a) AS 42.05.712

**3 AAC 49.080. Miscellaneous.** (a) The utility or cooperative shall provide the commission with a copy of each notice it mails to its subscribers or members under AS 42.05.712, and a copy of the list of subscribers or members to whom it mails the notice. The utility or cooperative also shall provide the commission with a sample of the ballot it mails to its subscribers or members, of the small envelope in which the ballot is inserted, and the large, outer envelope (return-addressed to the commission) that contains the voter's certificate as prescribed in 3 AAC 49.040(c).

(b) If a deadline prescribed in AS 42.05.712 or in 3 AAC 49.010 — 3 AAC 49.080 falls on a Saturday, Sunday, or a legal holiday for Alaska state offices, the deadline will be the next regular business day of the commission.

(c) A utility or cooperative, or its officers, directors, management, or employees, or any person who, directly or indirectly, gives or offers to give, or offers any money or valuable thing (including but not limited to a refund, rebate, or remission in any manner or by any device of any rate or charge, or any portion of a rate or charge, or receipt of a greater or lesser compensation for a utility's or cooperative's services than is prescribed in its currently effective tariff), or extends, promises, or offers to extend to any utility subscriber or cooperative member any form of contract, agreement, inducement, privilege, or facility, or apply any rule or condition of service as an inducement to, or with the intent to induce, a subscriber or member to participate in an election conducted under AS 42.05.712 or to vote for or against, or refrain from voting for or against, any election question under AS 42.05.712, has engaged in a discriminatory practice under AS 42.05.391(a) or (c), or both, and is subject to the imposition of civil sanctions under AS 42.05.571. (Eff. 8/14/80, Register 75)

Authority: AS 01.10.080  
AS 42.05.151(a)

AS 42.05.391

AS 42.05.712

**3 AAC 49.090. Waiver.** (a) By order of the commission, upon application in writing and a showing of good cause, any requirement of 3 AAC 49.010 — 3 AAC 49.080 will, in the commission's discretion, be waived in whole or in part, except the ballot marking and counting rules contained in 3 AAC 49.040(a).

(b) Applications submitted under this section shall set out the pertinent facts in sufficient detail to support a finding by the commission that no legitimate public interest will be served by enforcing the requirement designated in the application. An application as required by this section may be made to the commission by motion or petition.

(c) Application for the waiver of a requirement must also include application under AS 42.05.711(d) for exemption from a related provision of AS 42.05 if waiver of the requirement of 3 AAC 49.010 — 3 AAC 49.080 cannot be granted without also exempting the applicant from the governing law. (Eff. 8/14/80, Register 75)

Authority: AS 42.05.151(a)

AS 42.05.712

**3 AAC 49.100. Definitions.** In 3 AAC 49.010 — 3 AAC 49.100

(1) "ballot" means a ballot issued to a utility subscriber or cooperative member in an election conducted under AS 42.05.712 and 3 AAC 49.010 — 3 AAC 49.100;

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

(3) "cooperative" means an electric or telephone cooperative organized under AS 10.25, subject to the commission's regulatory jurisdiction under AS 42.05, which is authorized to conduct a deregulation ballot election under AS 42.05.711(h) and 42.05.712;

(4) "election" means an election conducted under AS 42.05.712 and 3 AAC 49.010 — 3 AAC 49.100;

(5) "question" means the question whether a utility or cooperative is to be exempt from regulation by the Regulatory Commission of Alaska, as prescribed in AS 42.05.712(d);

(6) "utility" means a public utility subject to the commission's regulatory jurisdiction under AS 42.05 which is authorized to conduct a deregulation ballot election under AS 42.05.711(f) and (g) and 42.05.712. (Eff. 8/14/80, Register 75; am 2/24/2004, Register 170)

Authority: AS 42.05.151

AS 42.05.712

## Chapter 50. Energy Conservation.

### Article

1. Regulatory Policy Standards (3 AAC 50.100 — 3 AAC 50.600)
2. Cogeneration and Small Power Production (3 AAC 50.750 — 3 AAC 50.820)
3. Net Metering Standards (3 AAC 50.900 — 3 AAC 50.949)

### Article 1. Regulatory Policy Standards.

#### Section

- 100. Application, purpose, and waiver
- 200. Individual electric meters
- 300. Information to electric consumers

#### Section

- 400. (Reserved)
- 500. Advertising
- 600. Definitions

**3 AAC 50.100. Application, purpose, and waiver.** (a) The provisions of 3 AAC 50.200, 3 AAC 50.300, and 3 AAC 50.500 apply to electric utilities subject to the regulatory jurisdiction of the commission. The provisions of 3 AAC 50.500 apply to gas utilities subject to the regulatory jurisdiction of the commission. The purpose of 3 AAC 50.200 — 3 AAC 50.500 is to adopt the regulatory policy standards established in secs. 113(b) and 303(b) of the Public Utility Regulatory Policies Act of 1978 (16 USC § 2623(b) and 15 USC § 3203(b), as adopted November 9, 1978) and to extend these standards to the other electric and gas utilities in Alaska not directly subject to that Act. These regulations encourage

- (1) conservation of energy supplied by electric and gas utilities;
- (2) the optimization of the efficiency of use of facilities and resources by electric and gas utilities; and
- (3) the establishment of equitable rates to electric and gas consumers.

(b) For good cause shown, the commission will, in its discretion, waive the application to a utility of all or part of 3 AAC 50.200 — 3 AAC 50.600 or will, in its discretion, establish interim standards for a utility. (Eff. 10/15/82, Register 84)

**Authority:** AS 42.05.141(a)      AS 42.05.151(a)      AS 42.05.711(d)

**3 AAC 50.200. Individual electric meters.** (a) Except as provided in (b) of this section, an electric utility shall install an individual meter to measure the energy consumption attributable to each residential and commercial unit in a multiple-occupancy building and each mobile home unit in a mobile home park if construction of the building or mobile home park was begun after December 31, 1982.

(b) Individual meters are not required

- (1) for transient multiple-occupancy buildings and transient mobile home parks, including, but not limited to, hotels, motels, dormitories, rooming houses, hospitals, nursing homes, and mobile home parks for travel trailers;
- (2) for commercial unit space which is subject to alteration with

changes in tenants as evidenced by temporary construction of nonload-bearing walls or floors separating the commercial unit spaces;

(3) where alternative renewable energy resources are used in connection with central heating, ventilating, and air conditioning systems; and

(4) in common building areas such as hallways, elevators, reception areas, water pumping facilities, and electric hookups for motor vehicles.

(c) For the purpose of this section, construction begins when the footings are poured. (Eff. 10/15/82, Register 84)

**Authority:** AS 42.05.141(a)

AS 42.05.151(a)

AS 42.05.291(c)

**3 AAC 50.300. Information to electric consumers.** (a) An electric utility shall provide to each new electric consumer, coincident with the application for service, a clear and concise explanation of any rate schedule in its currently effective tariff which applies to that consumer.

(b) Not later than 30 days after the filing of a tariff advice letter in which a change in a rate schedule is requested, an electric utility shall transmit to its affected consumers a clear and concise explanation of the proposed change. This provision does not apply to rate adjustments resulting from an automatic fuel-cost rate adjustment clause.

(c) At least once each year an electric utility shall transmit to each of its electric consumers an informative summary of any rate schedule in its currently effective tariff which applies to those consumers.

(d) On request of an electric consumer, an electric utility shall transmit a clear and concise statement of the consumer's actual energy consumption and, if billed separately, power consumption for any billing period during the previous 12 months unless the information is not reasonably ascertainable by the utility. (Eff. 10/15/82, Register 84)

**Authority:** AS 42.05.141(a)

AS 42.05.151(a)

AS 42.05.411(a)

**3 AAC 50.400.** Reserved.

**3 AAC 50.500. Advertising.** (a) In addition to the restrictions imposed under AS 42.05.381(a), neither an electric utility nor a gas utility may recover through rates any direct or indirect expenditure by the utility for promotional, political, or goodwill advertising.

(b) The commission will determine on a case-by-case basis whether the forms of advertising listed in (c)(3) of this section, as well as advertising not readily categorized as promotional, political, or goodwill, and any other form of advertising not covered by this section will be included in utility operating expenses for ratemaking purposes.

(c) In this section

(1) "advertising" means the commercial use by a utility of any media, including newspaper, printed matter, radio, and television, in

order to transmit a message to a substantial number of members of the public or to the utility's customers;

(2) "goodwill advertising" means advertising directed toward improving or enhancing the public image of a utility or its employees;

(3) "goodwill advertising," "political advertising," and "promotional advertising" do not include

(A) advertising which informs an electric or gas consumer about methods which conserve electric energy or gas or which reduce peak demand for electric energy or gas;

(B) advertising required by law or regulation, including advertising required under Part I, Title II of the National Energy Conservation Policy Act (42 U.S.C. § 8201 et seq.);

(C) advertising regarding service interruptions, safety measures, or emergency conditions;

(D) advertising concerning employment opportunities with a utility;

(E) advertising which promotes the use of energy-efficient appliances, equipment, or services;

(F) an explanation or justification of existing or proposed rate schedules or a notice of hearings concerning these rate schedules; and

(G) communications with members of a utility cooperative about the activities or internal affairs of the cooperative or which encourage or promote the participation of the members in the process of governing the cooperative;

(4) "political advertising" means advertising for the purpose of influencing public opinion with respect to legislative, administrative, or electoral matters, or with respect to a controversial issue of public importance; and

(5) "promotional advertising" means advertising for the purpose of encouraging a person to select or use the service or additional service of a utility, or the selection or installation of an appliance or equipment designed to use the utility's service, except as provided in (3)(E) of this subsection. (Eff. 10/15/82, Register 84)

**Authority:** AS 42.05.141(a) AS 42.05.151(a) AS 42.05.381

**Editor's note:** As of Register 154 (July 2000), the regulations attorney, acting under AS 44.62.125(b)(6), made a technical correction to 3 AAC 50.500(a), to insert a missing digit in a cross-reference to a statute.

**3 AAC 50.600. Definitions.** Unless the context indicates otherwise, in 3 AAC 50.100 — 3 AAC 50.600

(1) "building" means a single erected structure, roofed and enclosed within exterior walls, built for permanent use, framed of component structural parts and unified in its entirety both physically and in operation for residential or commercial occupancy;

(2) "commercial unit" means that portion of a building or premises which is normally used for commercial purposes;

(3) "electric consumer" means a person or a public or private entity to which electric energy is sold, other than for purposes of resale, by a regulated public utility;

(4) "gas consumer" means a person or a public or private entity to which natural gas is sold, other than for purposes of resale by a public utility;

(5) "mobile home park" means a parcel of land which is used for the accommodation of occupied mobile homes;

(6) "multiple-occupancy building" means a building which is designed to house more than one residential or commercial unit;

(7) "rate" means

(A) a price, rate, charge, or classification made, demanded, observed, or received with respect to the sale of utility services to a utility consumer;

(B) a rule, regulation, condition, or practice respecting a rate, charge, or classification; and

(C) a contract pertaining to the sale of utility services to a utility consumer;

(8) "rate schedule" means the designation of the rates which an electric utility charges for electric energy; and

(9) "residential unit" means one or more rooms for use by one or more persons as a housekeeping unit which provides living, sleeping, cooking and sanitation accommodations. (Eff. 10/15/82, Register 84)

Authority: AS 42.05.141(a)  
AS 42.05.151(a)

AS 42.05.291(c)

AS 42.05.411(a)

**Article 2. Cogeneration and Small Power Production.**

**Section**

- 750. Application, purpose, and waiver
- 760. Interconnection
- 765. Integration
- 770. Purchases
- 780. Sales

**Section**

- 790. Implementation
- 795. Reporting
- 800. Disconnection
- 810. Disputes
- 820. Definitions

**3 AAC 50.750. Application, purpose, and waiver.** (a) 3 AAC 50.750 — 3 AAC 50.820 apply to all electric utilities subject to the regulatory jurisdiction of the commission under AS 42.05.361 — 42.05.441. These sections govern interconnection, integration, and purchases and sales of electric power between an electric utility and a qualifying facility.

(b) The purpose of 3 AAC 50.750 — 3 AAC 50.820 is to encourage cogeneration and small power production by setting out guidelines for the establishment of reasonable, nondiscriminatory charges, rates, terms, and conditions under which interconnection, integration, and

purchases and sales of electric power will occur between an electric utility and a qualifying facility.

(c) Any requirement in 3 AAC 50.750 — 3 AAC 50.820 may be waived, in whole or in part, or be modified by order of the commission upon application and a showing of good cause. An entity shall file and the commission will consider an application in accordance with 3 AAC 48.805. (Eff. 11/20/82, Register 84; am 4/24/2004, Register 170; am 3/11/2016, Register 217)

Authority: AS 42.05.141

AS 42.05.151

AS 42.05.711

**3 AAC 50.760. Interconnection.** (a) An electric utility shall make interconnection with a qualifying facility as may be necessary to accomplish purchases or sales under 3 AAC 50.750 — 3 AAC 50.820.

(b) Notwithstanding (a) of this section, an electric utility is not required to interconnect with a qualifying facility if

(1) the electric utility, solely because of purchases and sales over the interconnection, would become subject to federal regulation under Subchapter II of the Federal Power Act, 16 U.S.C. § 824; or

(2) a qualifying facility does not comply with the safety and reliability standards prescribed for interconnection in 3 AAC 52.485.

(c) An electric utility may assess a qualifying facility interconnection charges which are reasonable and nondiscriminatory with respect to other customers that have similar load characteristics.

(d) Interconnection charges may include the reasonable costs of connection, switching, metering, transmission, distribution, safety provisions, administration, and other costs incurred by the electric utility directly related to the installation and maintenance of the physical facilities necessary to permit interconnected operations with a qualifying facility, to the extent these costs are in excess of the corresponding costs which the electric utility would have incurred if it had not engaged in interconnected operations, but instead generated an equivalent amount of electric energy itself or purchased an equivalent amount of energy or capacity from other sources. Interconnection charges may not include any costs included in the calculation of avoided cost rates or integration fees or payments.

(e) An electric utility shall offer a qualifying facility the option of reimbursing the electric utility for interconnection charges over a reasonable period of time. The electric utility may charge reasonable interest, to be prescribed in its tariff or special contract, for the financing of the interconnection charges.

(f) Repealed 3/11/2016.

(g) An electric utility shall offer to operate in parallel with a qualifying facility.

(h) An electric utility shall offer a qualifying facility that has a generating capacity of 10 kilowatts or less the option of using a single

detent meter during parallel operation. (Eff. 11/20/82, Register 84; am 3/11/2016, Register 217)

<b>Authority:</b>	AS 42.05.141	AS 42.05.291	AS 42.05.361
	AS 42.05.151	AS 42.05.301	AS 42.05.381

**3 AAC 50.765. Integration.** (a) An electric utility shall identify the costs of integrating the qualifying facility into the electric utility's system and shall quantify the benefits derived from integrating the qualifying facility into the electric utility's system. If the identified costs of integration exceed the quantified benefits of integration, the electric utility may assess integration fees to the qualifying facility. If the quantified benefits exceed the identified costs, the electric utility shall make integration payments to the qualifying facility.

(b) Costs used to calculate integration fees or integration payments include only costs that are reasonably necessary under accepted industry standards for maintaining the safety, integrity, and reliability of the electric utility's system. However, the costs must be

(1) directly related to and necessary for the operation of the qualifying facility within the electric utility's system;

(2) comprised of the net increase or decrease to the corresponding costs which the electric utility would have incurred if it had not engaged in interconnected operations with a qualifying facility, but instead generated an equivalent amount of electric energy itself or purchased an equivalent amount of electric energy or capacity from other sources; and

(3) not duplicative of the costs associated with facilities or measures used by the utility for reasons other than the integration of the qualifying facility.

(c) Identified costs and quantified benefits may not include any costs or benefits used to calculate avoided cost rates or interconnection charges.

(d) Integration fees and payments must be just and reasonable and in the public interest and must not discriminate against the qualifying facility.

(e) If an electric utility uses facilities or measures to support the integration of more than one qualifying facility or other generation facility, the electric utility must fairly allocate the costs among the qualifying facilities and generation facilities. (Eff. 3/11/2016, Register 217)

<b>Authority:</b>	AS 42.05.141	AS 42.05.301	AS 42.05.361
	AS 42.05.151	AS 42.05.311	AS 42.05.381
	AS 42.05.241	AS 42.05.321	

**3 AAC 50.770. Purchases.** (a) Unless otherwise provided by law, an electric utility shall purchase, in accordance with (c) — (k) of this

section, any electric power which is made available from a qualifying facility.

(b) Notwithstanding (a) of this section, an electric utility is not required to purchase electric power from a qualifying facility if

(1) due to operational circumstances, purchases from a qualifying facility result in costs greater than those which the electric utility would have incurred if it had not made such purchases but had instead generated or purchased an equivalent amount of power; if purchases have started, an electric utility seeking to stop purchase under this paragraph shall notify in writing each affected qualifying facility in time for the qualifying facility to stop the delivery of electric power to the electric utility, or the electric utility shall pay the expense it would have incurred had power continued to be purchased from the qualifying facility at established rates during the same period;

(2) during a system emergency, purchases from a qualifying facility would further contribute to the emergency; or

(3) with the agreement of the qualifying facility, the electric utility transmits the electric power to another electric utility which is obligated to purchase that electric power as if it were supplied directly by the qualifying facility.

(c) Rates for purchases of electric power must be just and reasonable and in the public interest and must not discriminate against qualifying facilities or adversely affect the consumers of the electric utility.

(d) For purchases from a qualifying facility, rates must be based on the cost of energy and capacity which the electric utility avoids by virtue of its interconnection with the qualifying facility. The following factors must, to the extent practicable, be taken into account:

(1) the data provided under 3 AAC 50.790(e);

(2) the availability of capacity or energy from a qualifying facility during the system daily and seasonal peak periods, including

(A) the ability of the utility to dispatch the qualifying facility;

(B) the expected or demonstrated reliability of the qualifying facility;

(C) the terms of any contract or other legally enforceable obligation, including the duration of the obligation, termination, termination notice requirements, and sanctions for non-compliance;

(D) the extent to which scheduled outages of the qualifying facility can be usefully coordinated with scheduled outages of the utility's facilities;

(E) the usefulness of energy and capacity supplied from a qualifying facility during system emergencies, including its ability to separate its load from its generation;

(F) the individual and aggregate value of energy and capacity from qualifying facilities on the electric utility's system; and

(G) the smaller capacity increments and the shorter lead times available with additions of capacity from qualifying facilities;

(3) the relationship of the availability of energy or capacity from the qualifying facility as derived in (2) of this subsection to the ability of the electric utility to avoid costs, including the deferral of capacity additions and the reduction of fossil fuel use; and

(4) The cost or savings resulting from variations in line losses from those that would have existed in the absence of purchases from a qualifying facility, if the purchasing electric utility generated an equivalent amount of energy itself or purchased an equivalent amount of electric energy or capacity.

(e) Repealed 3/11/2016.

(f) Repealed 3/11/2016.

(g) An electric utility which is legally obligated to obtain all of its requirements for electric power from another electric utility shall submit to the commission the requisite avoided cost data of its supplying utility and the rates at which it currently purchases such energy and capacity. The supplying electric utility shall make the necessary information available to the purchasing electric utility at the time its wholesale power rates are approved by the commission.

(h) An electric utility or qualifying facility may agree by special contract, subject to 3 AAC 48.390, to different rates, terms, or conditions for purchases than otherwise required by this section. A contract between an electric utility and a qualifying facility is valid if the commission determines the rates, terms, or conditions for purchases are just and reasonable to the customers of the electric utility and in the public interest. The contract may not be nullified under 3 AAC 50.770(b)(1) without prior commission approval.

(i) For purchases of energy from a qualifying facility with a design capacity of 100 kilowatts or less, the rates must be calculated, supported, and filed as follows:

(1) unless otherwise ordered by the commission, the avoided energy costs must be expressed in cents-per-kilowatt-hour and determined from the sum of fuel and variable operation and maintenance expenses and the energy portion of purchased-power expense for the same period used by the utility to project costs and sales in its adjustment clause methodology, approved by the commission, updated by subsequent fuel costs, and divided by the number of kilowatt-hours sold for the same time period; expenses and kilowatt-hours sold associated with generation that is not avoided by virtue of purchases from qualifying facilities with a design capacity of 100 kilowatts or less must be specifically excluded from the computation of avoided costs;

(2) an electric utility shall submit to the commission the following information for the same period used in support of the utility's adjustment clause filing, to support rates for purchases of energy:

(A) the data and computation of avoided energy costs specified in (1) of this subsection; and

(B) at its option, in addition to the information required in (A) of this paragraph, the data and computation of avoided energy

costs based on any other methodology deemed appropriate and justifiable by the electric utility;

(3) The utility's request to use an alternate methodology in (2)(B) of this subsection is subject to review and advance approval of the commission.

(j) An electric utility shall submit to the commission the information necessary to support the methodology and calculations used in developing rates for purchased power based on avoided energy and capacity costs.

(k) Each qualifying facility shall have the option either

(1) to provide energy as the qualifying facility determines such energy to be available for such purchases, in which case the rates for such purchases shall be based on the purchasing utility's avoided costs calculated at the time of delivery; or

(2) to provide energy or capacity under a legally enforceable obligation for the delivery of energy or capacity over a specified term, in which case the rates for such purchases shall, at the option of the qualifying facility exercised before the beginning of the specified term, be based on either

(A) the avoided costs calculated at the time of delivery; or

(B) the avoided costs calculated at the time the obligation is incurred. (Eff. 11/20/82, Register 84; am 3/11/2016, Register 217)

<b>Authority:</b>	AS 42.05.141	AS 42.05.301	AS 42.05.381
	AS 42.05.151	AS 42.05.361	AS 42.05.391
	AS 42.05.291		

**3 AAC 50.780. Sales.** (a) An electric utility shall provide service to a qualifying facility including, but not limited to, supplementary power, back-up power, maintenance power, and interruptible power.

(b) Notwithstanding (a) of this section, an electric utility is not obligated to provide supplementary power, back-up power, maintenance power, and interruptible power to a qualifying facility upon a showing to and determination by the commission, after reasonable notice and an opportunity for public comment, that compliance with that requirement will either impair the electric utility's ability to give adequate service to its customers or impose an undue burden on the electric utility.

(c) Rates for sales must be just and reasonable and in the public interest and must not discriminate against the other consumers of the utility or against a qualifying facility in comparison to rates for sales to other customers of the electric utility with similar load or other cost-related characteristics.

(d) An electric utility shall submit to the commission the information necessary to support the methodology and calculations used in developing rates for sales of electric power to a qualifying facility in conformance with applicable commission regulations.

(e) Rates for sales of back-up power and maintenance power

(1) must not be based upon an assumption that forced outages or other reductions in electric output by all qualifying facilities on an electric utility's system will occur simultaneously, or during the system peak, or both, unless the assumption is supported by factual data; and

(2) must take into account the extent to which scheduled outages of the qualifying facilities can be usefully coordinated with the scheduled outages of the electric utility's facilities.

(f) During any system emergency, an electric utility may discontinue sales to a qualifying facility, provided that the discontinuance is on a nondiscriminatory basis. (Eff. 11/20/82, Register 84)

**Authority:** AS 42.05.141(a)      AS 42.05.301      AS 42.05.381(a)  
 AS 42.05.151(a)      AS 42.05.361(a)      AS 42.05.391(a)  
 AS 42.05.291(c)

**3 AAC 50.790. Implementation.** (a) Not later than 60 days after receipt of a written request for interconnection from a qualifying facility, an electric utility shall file with the commission for its consideration a tariff for interconnection, integration, purchases, and sales with the requesting qualifying facility in accordance with applicable provisions of AS 42.05.361 — 42.05.441, 3 AAC 48.200 — 3 AAC 48.390, and 3 AAC 50.750 — 3 AAC 50.820.

(b) The proposed tariff filing of an electric utility filed in accordance with (a) of this section must delineate and authorize interconnection, integration, purchases, and sales between an electric utility and a qualifying facility, including provisions for

(1) the charges, terms, and conditions for interconnection to a qualifying facility, including the method and timing of payment of interconnection charges by a qualifying facility;

(2) the fees or payments for integration of the qualifying facility into the electric utility's system;

(3) the rates, terms, and conditions for purchases of energy and capacity from a qualifying facility; and

(4) the rates, terms, and conditions for sales of power to a qualifying facility.

(c) Notwithstanding (a) and (b) of this section, an electric utility may enter into a special contract with a qualifying facility specifying the charges, rates, terms, and conditions of interconnection, integration, purchases, and sales between an electric utility and a qualifying facility, provided use of a special contract otherwise conforms to applicable commission regulations, including 3 AAC 50.770(h).

(d) By April 1, 2016, each electric utility shall submit to the commission a proposed tariff filing that includes a standard rate for the purchase of energy from qualifying facilities with a design capacity of 100 kilowatts or less in accordance with 3 AAC 50.770(i).

(e) By April 1, 2016, each electric utility shall compile and maintain for public inspection and file with the commission all current purchase

rates with qualifying facilities under 3 AAC 50.770 and the data and information specified in (1)-(3) of this subsection as follows, which must be updated every two years:

(1) the estimated avoided energy costs stated on a cents per kilowatt-hour basis for the current calendar or fiscal year and each of the next five years; for utilities with retail sales in excess of 500 million kilowatt-hours during the previous calendar year, the avoided energy costs shall be stated in blocks of not more than 10 percent of the system peak demand and reflect daily and seasonal peak and off-peak periods by year;

(2) the electric utility's plan for the addition of capacity by amount and type, for purchases of firm energy and capacity, and for capacity retirements for each year during the next 10 years;

(3) the estimated capacity costs at completion of the planned capacity additions and planned-capacity firm purchases, on the basis of dollars per kilowatt and the associated energy costs of each unit, on the basis of cents per kilowatt-hour; these costs must be expressed in terms of individual generating units and of individual planned firm purchases. (Eff. 11/20/82, Register 84; am 3/11/2016, Register 217)

Authority: AS 42.05.141                      AS 42.05.291                      AS 42.05.361  
                    AS 42.05.151

**Editor's note:** As of Register 208 (January 2014) and acting under AS 44.62.125(b)(6), the regulations attorney made a technical change to 3 AAC 50.790(d).

**3 AAC 50.795. Reporting.** (a) Within seven calendar days, an electric utility shall file with the commission in writing

(1) notification of a period in which purchases of power from a qualifying facility are curtailed under 3 AAC 50.770(b)(1);

(2) notification of a system emergency in which purchases of power from a qualifying facility are curtailed under 3 AAC 50.770(b)(2);

(3) notification of an agreement in which an electric utility transmits power from a qualifying facility under 3 AAC 50.770(b)(3);

(4) notification of a request for interconnection with an entity claiming qualifying facility rights under 3 AAC 50.750 — 3 AAC 50.820;

(5) notification of denial of interconnection with an entity claiming qualifying facility rights under 3 AAC 50.750 — 3 AAC 50.820.

(b) A qualifying facility shall comply with the state commission service requirement of 18 C.F.R. 292.207(c)(1) by concurrently filing with the commission an explanatory cover letter accompanied by a copy of all forms and documents filed with the Federal Energy Regulatory Commission under either 18 C.F.R. 292.207(a) or 18 C.F.R. 292.207(b)(1) and (2). (Eff. 3/11/2016, Register 217)

Authority: AS 42.05.141

AS 42.05.151

**3 AAC 50.800. Disconnection.** (a) An electric utility has the right to disconnect a qualifying facility without notice if a hazardous condition exists in the equipment of the qualifying facility and immediate action is necessary to protect persons, utility facilities, or other customers' facilities from damage or interference imminently likely to result from the hazardous condition.

(b) Not later than 10 days after disconnection under (a) of this section, the electric utility shall notify the qualifying facility in writing of the reasons for the disconnection. (Eff. 11/20/82, Register 84)

Authority: AS 42.05.141(a)  
AS 42.05.151(a)

AS 42.05.291(a)

AS 42.05.301

**3 AAC 50.810. Disputes.** (a) Disputes regarding implementation of 3 AAC 50.750 — 3 AAC 50.820 must be filed with the commission for consideration under the complaints procedures prescribed in 3 AAC 48.120 — 3 AAC 48.130.

(b) If a dispute arises under this section, an electric utility shall submit to the commission the cost justification necessary to support the methodology and calculations used in developing interconnection charges under 3 AAC 50.760, integration fees and payments under 3 AAC 50.765, purchase rates under 3 AAC 50.770, and sale rates under 3 AAC 50.780, to the extent relevant to resolving the complaint. The commission may review the data submitted by an electric utility under this subsection. The electric utility has the burden of providing justification for its data.

(c) A claim by an electric utility that a period under 3 AAC 50.770(b)(1) has occurred or will occur is subject to verification by the commission either before or after the occurrence, upon the commission's own motion or upon complaint by a qualifying facility. (Eff. 11/20/82, Register 84; am 3/11/2016, Register 217)

Authority: AS 42.05.141

AS 42.05.151

**3 AAC 50.820. Definitions.** Unless the context indicates otherwise, in 3 AAC 50.750 — 3 AAC 50.820

(1) "avoided costs" means the incremental costs to an electric utility of electric energy or capacity or both, which, but for the purchase from the qualifying facility or qualifying facilities, the utility would generate or purchase from another source;

(2) "back-up power" means electric power supplied by an electric utility during an unscheduled power outage of a facility to replace energy ordinarily generated by the facility's own generation equipment;

(3) "cogeneration" means the production of electric energy and forms of useful thermal energy (such as heat or steam), employed for

industrial, commercial, heating, or cooling purposes, through the sequential use of energy;

(4) "detent meter" means a watt-hour meter which can turn in only a forward direction and which is used to measure the number of kilowatt-hours sold to a qualifying facility by an electric utility;

(5) "electric power" means electric energy or capacity, or both;

(6) "firm power" means electric power supplied to the electric utility in predetermined and reliable quantities at specific times and intervals;

(7) "interruptible power" means electric power supplied by an electric utility subject to interruption by the electric utility under specified conditions;

(8) "maintenance power" means electric power supplied by an electric utility during scheduled power outages of the qualifying facility;

(9) Repealed 3/11/2016;

(10) "parallel operation" means a method of interconnection which enables a qualifying facility to generate electric power to meet its electrical consumption needs first and to automatically transmit any surplus electric power to the electric utility, and which also enables the qualifying facility to automatically purchase power from the electric utility if the qualifying facility cannot generate enough power to meet its electrical demands;

(11) "qualifying facility" has the meaning given in 18 C.F.R. 292.101(b)(1), revised as of April 1, 2015, and adopted by reference;

(12) "supplementary power" means electric energy or capacity supplied by an electric utility, regularly used by a qualifying facility in addition to that which the facility generates itself;

(13) "system emergency" means a condition on a utility's system which is likely to result in imminent significant disruption of service to customers or is imminently likely to endanger life or property;

(14) "design capacity" means the generator's nameplate rating measured in kilowatts. (Eff. 11/20/82, Register 84; am 3/11/2016, Register 217)

Authority: AS 42.05.141 AS 42.05.151

**Editor's note:** A copy of 18 C.F.R. Part 292, Subpart B, mentioned in 3 AAC 50.820(11) is available for inspection at the offices of the Regulatory Commission of Alaska as specified in 3 AAC 48.010(a).

As of Register 170 (July 2004), the regulations attorney made technical revisions under AS 44.62.125(b)(6) to correct authority citations for 3 AAC 50.820.

### Article 3. Net Metering Standards.

#### Section

900. Applicability and waiver  
910. Net metering of electric energy

#### Section

920. Eligible consumer generation systems.

**Section**

930. Charges or credits for net electric energy  
 940. Interconnection of eligible consumer generation systems

**Section**

949. Definitions

**3 AAC 50.900. Applicability and waiver.** (a) Except as provided in (b) of this section, the net metering requirements set out in 3 AAC 50.900 — 3 AAC 50.949 apply to an electric utility that is subject to economic regulation.

(b) The net metering requirements set out in 3 AAC 50.900 — 3 AAC 949 do not apply to

(1) an independent electric system owned and operated by an electric utility that is subject to economic regulation if, except for fossil fuel generation for standby and emergency power, 100 percent of the independent electric system's power is supplied by a facility that produces electric energy derived from one or more of the sources listed in 3 AAC 50.920(1)(A) — (H);

(2) an independent electric system owned and operated by an electric utility that is subject to economic regulation, if the independent electric system had total retail sales of less than 5,000,000 kilowatt-hours during the previous calendar year; or

(3) any portion of the distribution system of an electric utility that is subject to economic regulation, if the electric utility demonstrates to the commission that limiting net metering installations in that portion of its distribution system is reasonably necessary to address system stability constraints or other operational issues.

(c) A requirement in 3 AAC 50.900 — 3 AAC 50.949, other than one also required by a provision of AS 42.05, may be modified or waived, in whole or in part, by order of the commission upon application and a showing of good cause or on the commissioner's own motion. Application for waiver must be in writing and set out the pertinent facts in sufficient detail to support a finding by the commission that no legitimate public interest will be served by enforcing the requirement designated in the application. A requirement in 3 AAC 50.900 — 3 AAC 50.949 that is also required by a provision of AS 42.05 may be modified or waived, in whole or in part, by order of the commission upon application in writing and a showing that the modification or waiver is in the public interest. (Eff. 6/16/2010, Register 194)

**Authority:** AS 42.05.141  
 AS 42.05.151

AS 42.05.291  
 AS 42.05.691

AS 42.05.711

**3 AAC 50.910. Net metering of electric energy.** (a) Except as provided in (b) of this section, an electric utility shall

(1) make a net metering program available to each of its retail consumers; and

(2) allow consumer generation systems eligible under 3 AAC

50.920 to be interconnected to the electric utility's facilities in accordance with interconnection standards contained in the electric utility's tariff.

(b) An electric utility may refuse to interconnect with a consumer requesting net metering, if interconnection would cause the total nameplate capacity of all eligible consumer generation systems participating in the net metering program to exceed 1.5 percent of the electric utility's average retail demand stated in the electric utility's tariff as required in (d) of this section. The electric utility shall notify the commission no later than 30 days after refusal if the electric utility refuses, for the reason set out in this subsection, to interconnect with a consumer requesting net metering.

(c) An electric utility that has a decrease in average retail demand that results in the total nameplate capacity of eligible consumer generation systems exceeding 1.5 percent of average retail demand shall allow existing net metering consumers to continue participating in the net metering program.

(d) On or before March 1 of each year, an electric utility shall file a tariff advice letter with accompanying tariff sheet stating the number of kilowatts equivalent to 1.5 percent of the electric utility's average retail demand for the previous calendar year and the total nameplate capacity of eligible consumer generation systems participating in the net metering program at the time of filing.

(e) An electric utility may request, by tariff advice letter, to use a limit on total nameplate capacity of eligible consumer generation systems participating in the net metering program above 1.5 percent of the electric utility's average retail demand.

(f) An electric utility may deny participation in a net metering program to a consumer that

(1) participates in another program that allows the consumer to collect, through voluntary contributions from other participating customers of the electric utility, more than the non-firm power rate per kilowatt-hour for the sale of electric energy; or

(2) sells electric energy under an existing contract that allows the consumer to collect more than the non-firm power rate per kilowatt-hour for the sale of electric energy.

(g) An electric utility may install additional metering equipment for net metering consumers, if the electric utility's tariff allows the electric utility to install the equipment. The electric utility

(1) is responsible for all costs related to the purchase, installation, and maintenance of the additional metering equipment; and

(2) may not assess a recurring charge for the additional metering equipment. (Eff. 6/16/2010, Register 194)

Authority: AS 42.05.141  
AS 42.05.151

AS 42.05.291  
AS 42.05.311

AS 42.05.321

**3 AAC 50.920. Eligible consumer generation systems.** To be eligible for interconnection under a net metering program, a consumer generation system must

(1) be a facility that produces electric energy derived from one or more of the following sources:

(A) solar photovoltaic and solar thermal energy;

(B) wind energy;

(C) biomass energy, including landfill gas or biogas produced from organic matter, wastewater, anaerobic digesters, or municipal solid waste;

(D) hydroelectric energy;

(E) geothermal energy;

(F) hydrokinetic energy;

(G) ocean thermal energy;

(H) other sources as approved by the commission that generally have similar environmental impact;

(2) be operated and either owned or leased by the consumer, and

(A) have a total nameplate capacity of no more than 25 kilowatts per consumer premises;

(B) be located on the consumer premises;

(C) be used primarily to offset part or all of the consumer's requirements for electric energy; and

(D) include an inverter;

(3) include an electric generator and its accompanying equipment package; and

(4) be physically interconnected to the consumer's side of the meter from which the electric utility provides electric service to the consumer. (Eff. 6/16/2010, Register 194)

Authority: AS 42.05.141  
AS 42.05.151

AS 42.05.291  
AS 42.05.311

AS 42.05.321

**3 AAC 50.930. Charges or credits for net electric energy.**

(a) An electric utility with a consumer participating in a net metering program shall measure the net electric energy during each monthly billing period, and

(1) if the electric utility supplied more electric energy to the consumer than the consumer supplied to the electric utility during the monthly billing period, the electric utility shall bill the consumer for the number of kilowatt-hours of net electric energy supplied by the electric utility to the consumer at the applicable rates contained in the electric utility's currently effective tariff; or

(2) if the consumer supplied more electric energy to the electric utility than the electric utility supplied to the consumer during the monthly billing period, the electric utility shall credit the consumer's

account with an amount derived by multiplying the kilowatt-hours of net electric energy supplied by the consumer to the electric utility by the non-firm power rate contained in the electric utility's currently effective tariff, unless a different non-firm power rate has been established in a commission-approved contract.

(b) Dollar amounts credited to the account of a net metering consumer for furnishing electric energy to the electric utility under (a)(2) of this section

(1) shall be used to reduce dollar amounts owed by the consumer in subsequent monthly billing periods; and

(2) do not expire or otherwise revert to the electric utility.

(c) Except as otherwise provided in (a) and (b) of this section regarding per-kilowatt hour charges, the electric utility may bill a net metering consumer for all applicable charges authorized by the electric utility's approved tariff.

(d) An electric utility administering a net metering program may not charge a consumer participating in the net metering program any additional fee for standby, capacity, interconnection, or other net metering expense unless approved by the commission.

(e) An electric utility may petition the commission to change electric rate designs, consistent with 3 AAC 48.500 — 3 AAC 48.560, to include appropriate rate classes for net metering consumers, if the utility can demonstrate an adverse material rate impact on utility consumers that do not participate in the net metering program. (Eff. 6/16/2010, Register 194)

Authority:	AS 42.05.141	AS 42.05.291	AS 42.05.411
	AS 42.05.151	AS 42.05.391	AS 42.05.431

**3 AAC 50.940. Interconnection of eligible consumer generation systems.** (a) No later than March 31, 2012, each electric utility required under 3 AAC 50.900 to provide net metering services shall submit a tariff revision to incorporate interconnection rules for eligible consumer generation systems. The interconnection rules must

(1) address any requirements for liability insurance coverage, if that coverage is readily available at a reasonable cost to the consumer;

(2) address the installation of an external disconnect switch, unless the utility determines additional disconnection capability is not necessary; consumers must be offered the option to

(A) install an external disconnect switch in a location readily accessible by utility personnel, as designated by the utility; or

(B) agree to allow the utility to disconnect both the consumer's non-utility generation and the consumer's load from the utility electric system when disconnection is necessary, under circumstances described in the utility's tariff;

(3) set out rules regarding the allocation of costs for the installation of the external disconnection switch in accordance with the following requirements:

(A) the utility may require the consumer to pay for the installed cost of the external disconnect switch and necessary wiring if the location designated by the utility under (2)(A) of this subsection is

- (i) within five feet of the consumer's meter base;
- (ii) at the consumer's main structure; or
- (iii) at a location otherwise agreed to between the utility and the consumer;

(B) the utility may require the consumer to pay for the installed cost of the external disconnect switch but the utility shall pay for necessary wiring if the installed location of the external disconnect switch is a location other than one described in (A) of this paragraph;

(4) include an application form for interconnection of eligible consumer generation systems that is no more than two pages;

(5) include criteria and requirements for interconnection of non-utility generation with electric power systems; in developing those criteria and requirements, the utility may use, as applicable, standards from the Institute of Electrical and Electronics Engineers (IEEE) 1547 series of interconnection standards or other similar national standards; when determining the reasonableness of the tariff filing, the commission may refer to those standards and consider their applicability; and

(6) include requirements for inverters, converters, controllers, and interconnection system equipment for use by non-utility generation; in developing those requirements, the utility may use, as applicable, Underwriters' Laboratories (UL) standard 1741, *Standard for Inverters, Converters, Controllers and Interconnection System Equipment for Use With Distributed Energy Resources*, or other similar national standards; when determining the reasonableness of the tariff filing, the commission may refer to those standards and consider their applicability.

(b) Upon approval of an application for interconnection of an eligible consumer generation system by the utility,

(1) the provisions of 3 AAC 50.900 — 3 AAC 50.949 apply to the consumer and utility; and

(2) the provisions of 3 AAC 50.750 — 3 AAC 50.820 do not apply to the consumer and utility. (Eff. 6/16/2010, Register 194; am 10/3/2011, Register 200)

**Authority:** AS 42.05.141  
AS 42.05.151

AS 42.05.291  
AS 42.05.311

AS 42.05.321

**3 AAC 50.949. Definitions.** In 3 AAC 50.900 — 3 AAC 50.949, unless the context requires otherwise,

(1) “average retail demand” means the number expressed in kilowatts and determined by dividing the total retail sales of the electric utility, measured in kilowatt-hours, for a calendar year with

(A) 365 days, by 8,760 hours;

(B) 366 days, by 8,784 hours;

(2) “biomass energy”

(A) means energy derived from

(i) plant matter, including trees, grasses, and agricultural crops; or

(ii) animal matter, including fish;

(B) does not include energy derived from fossil fuels;

(3) “consumer” means a customer

(A) of an electric utility that is subject to economic regulation;

(B) who consumes the electricity purchased from the electric utility;

(4) “consumer-generated electric energy” means electric energy that is generated by a consumer eligible for participation in a net metering program;

(5) “consumer premises” means all buildings and associated grounds owned by, leased by, rented to, or licensed to a consumer at a single location where an electric utility provides service through one or more utility meters;

(6) “economic regulation” has the meaning given in 3 AAC 48.820;

(7) “electric system” means an integrated electrical system that includes at least generation and distribution;

(8) “eligible consumer generation system” means a system that complies with 3 AAC 50.920;

(9) “equipment package” means a group of components connecting an electric generator to an electric utility’s electric distribution system; “equipment package” includes all interface equipment and the interface equipment’s controls, switchgear, inverter, and other interface devices;

(10) “excess consumer-generated electric energy” means the amount of consumer-generated electric energy in excess of the consumer’s consumption from the eligible consumer generation system during a monthly billing period, as measured at the electric utility’s meter;

(11) “geothermal energy” means energy generated from heat stored in the earth, or the collection of absorbed heat derived from underground;

(12) “hydroelectric energy” means energy generated from falling or flowing water;

(13) “hydrokinetic energy” means energy generated from waves or directly from the flow of water in ocean currents, tides, or inland waterways;

(14) "independent electric system" means an electric system that is not interconnected with any other electric system;

(15) "inverter" means a device that converts direct-current power into alternating-current power so that the generated power is compatible with power generated by an electric utility;

(16) "nameplate capacity" means the maximum rated output of a generator, prime mover, or other electric power production equipment under specific conditions designated by the manufacturer;

(17) "net electric energy" means, as metered by the electric utility for a specified period and expressed in kilowatt-hours,

(A) the amount by which the quantity of electric energy supplied by the electric utility to the consumer exceeds the quantity of electric energy supplied by the consumer to the electric utility; or

(B) the amount by which the quantity of electric energy supplied by the consumer to the electric utility exceeds the quantity of electric energy supplied by the electric utility to the consumer;

(18) "net metering" means measuring the amount of net electric energy as described in 3 AAC 50.930(a) for the applicable billing period;

(19) "net metering program" means a program administered by an electric utility that allows a consumer operating and either owning or leasing an eligible consumer generation system to

(A) generate electric energy primarily for the consumer's own use;

(B) supply consumer-generated electric energy to the electric utility; and

(C) receive a credit under 3 AAC 50.930 if net metering results in excess consumer-generated electric energy during a billing period;

(20) "non-firm power rate" means the energy rate updated quarterly in an electric utility's tariff in accordance with 3 AAC 50.770(i), or established in a commission-approved contract as described in 3 AAC 50.930(a)(2);

(21) "ocean thermal energy" means the conversion of energy arising from the temperature difference between warm surface water of oceans and cold deep-ocean current into electrical energy or other useful forms of energy;

(22) "retail sales" means sales of electricity to the end-use consumer, exclusive of wholesale sales;

(23) "solar photovoltaic energy" means the conversion of sunlight into electricity through a photovoltaic cell;

(24) "solar thermal energy" means a technology for harnessing solar energy for thermal energy;

(25) "switchgear" means the combination of electrical disconnects, fuses, or circuit breakers used to

(A) isolate electrical equipment; and

(B) de-energize equipment to allow work to be performed;

(26) "external disconnect switch" means a visible-break, lockable device used to isolate a consumer generation system from the utility electric system. (Eff. 6/16/2010, Register 194; am 10/3/2011, Register 200; am 3/11/2016, Register 217)

Authority: AS 42.05.141 AS 42.05.151

## Chapter 51. Telecommunications Relay Services.

### Article

1. Criteria for the Provision of Telecommunications Relay Service for the Deaf, Hard of Hearing, and Speech Impaired (3 AAC 51.010 — 3 AAC 51.199)

### Article 1. Criteria for the Provision of Telecommunications Relay Service for the Deaf, Hard of Hearing, and Speech Impaired.

#### Section

10. Applicability, necessity, purpose, and waiver  
 20. Selection of telecommunications relay service provider  
 30. Requirements of telecommunications relay service provider

#### Section

40. Funding of telecommunications relay service  
 199. Definitions

#### **3 AAC 51.010. Applicability, necessity, purpose, and waiver.**

(a) The provisions of 3 AAC 51.010 — 3 AAC 51.199 apply to all local exchange carriers. The provisions of 3 AAC 51.010 — 3 AAC 51.199 do not apply to cellular radiotelephone carriers and radio common carriers.

(b) The provision of telecommunications relay service (TRS) in accordance with 3 AAC 51.010 — 3 AAC 51.199 is required by the public convenience and necessity to meet the needs of deaf, hard-of-hearing, speech-impaired, and all other subscribers in communicating with each other.

(c) The purpose of 3 AAC 51.010 — 3 AAC 51.199 is to implement the directives of AS 42.05.296 and the Americans with Disabilities Act of 1990 (47 U.S.C. 225) requiring the provision of telecommunications service to allow deaf, hard-of-hearing, speech-impaired persons and all other subscribers to communicate with each other.

(d) Except for requirements established under AS 42.05.296 and 47 U.S.C. 225 (1990), the commission will, in its discretion, waive the application of all or any part of 3 AAC 51.010 — 3 AAC 51.199 upon a showing of good cause under procedures set out in 3 AAC 48.805. (Eff. 12/2/92, Register 124; am 2/23/2001, Register 157)

<b>Authority:</b> AS 42.05.141	AS 42.05.296	AS 42.05.321
AS 42.05.151	AS 42.05.311	AS 42.05.711

**3 AAC 51.020. Selection of telecommunications relay service provider.** (a) In accordance with the provisions of this section, the commission will issue an order requesting applications for the provision of TRS in this state and specifying the general, business, technical, and financial information to be provided by an applicant. The commission will issue its initial order requesting TRS applications under this section by May 23, 2001.

(b) If more than one entity applies to provide TRS in this state, the

commission will hold a public hearing to examine the applications on a comparative basis. In accordance with (e) — (g) of this section, the commission will determine whether one or more applicants are qualified and which applicant is most fit, willing, and able to provide TRS in this state and can provide quality service at just and reasonable rates.

(c) If no applications are received, or if the commission determines that none of the applicants are fit, willing, and able to provide TRS, the existing certificated provider shall continue to provide service under the terms and conditions of its effective tariff. If no applications are received, the commission will issue an order requesting applications every 12 months, unless good cause indicates otherwise. A TRS provider required to serve beyond its initial term of service, as provided in this section, is exempt from the requirements of 3 AAC 48.275(a), but shall provide reasonable justification for any proposed change to its monthly revenue requirement.

(d) The commission will issue a certificate of public convenience and necessity to a TRS provider selected under this section for a period of at least five years.

(e) In addition to the application information required under (a) of this section, a TRS applicant shall provide documentation that verifies the applicant has

(1) the ability to meet or exceed federal requirements concerning all operational, technical, and functional minimum standards for TRS specified in 47 C.F.R. 64.604, issued June 21, 2000; and

(2) procedures to

(A) solicit input from users of the service and carriers whose customers use TRS;

(B) fairly and expeditiously resolve customer complaints;

(C) develop and implement community outreach and education services and programs; and

(D) provide for TTY equipment distribution to customers.

(f) In reviewing applications, the commission will rank applicants using the following weighting criteria:

(1) price for basic TRS expressed in dollars and cents per billable minute — 40 percent;

(2) quality of service, which includes the requirements set out in (e) of this section — 40 percent;

(3) availability of, and price for, optional services and ability to meet or exceed any other criteria specified in the request for applications — 20 percent.

(g) In its order requesting applications issued under (a) and (c) of this section, the commission will establish the terms and amount of an escrow or bond that it determines an applicant must provide to demonstrate an ability to ensure the provision of TRS in this state.

(h) The commission will reject all applications and renote the application process if it determines that none of the applicants can provide quality service at just and reasonable rates. (Eff. 12/2/92, Register 124; am 2/23/2001, Register 157)

Authority: AS 42.05.141  
AS 42.05.151

AS 42.05.221

AS 42.05.296

**3 AAC 51.030. Requirements of telecommunications relay service provider.** (a) Following the issuance of a certificate of public convenience and necessity to provide TRS in this state, the provider shall file a tariff that incorporates the terms and conditions specified in its application. The TRS provider shall serve in conformance with its tariff until service expires under the terms of the certificate or until the commission decides otherwise. The TRS provider shall file with the commission a monthly report that includes the following information:

(1) the number of access lines served, TRS surcharges, and TRS revenue collected; the report must include a compilation of the information supplied to the TRS provider by local exchange carriers under 3 AAC 51.040(k)(1) and must specify the surplus revenue account balance;

(2) the number of calls processed; the report must specify TRS traffic by number of calls and minutes of use and each category must be further disaggregated by jurisdiction and type of call; for the purpose of this paragraph "jurisdiction" includes local, intrastate toll, and interstate toll;

(3) the quality of service offered to customers; the report must show conformance with federal speed-of-answer and call-blocking standards specified in 47 C.F.R. 64.604(b)(2), issued June 21, 2000.

(b) The TRS provider shall enter into an escrow arrangement or post a bond with the commission in accordance with the terms and amount specified by the commission in its order issued under 3 AAC 51.020. (Eff. 12/2/92, Register 124; am 2/23/2001, Register 157)

Authority: AS 42.05.141

AS 42.05.151

AS 42.05.296

**3 AAC 51.040. Funding of telecommunications relay service.** (a) The commission will establish a TRS surcharge by order and will consider the following criteria:

(1) the monthly revenue requirement of the TRS provider;

(2) the estimated number of residential, single-line business, and multi-line business lines of local exchange carriers;

(3) any amounts held by the TRS provider in the surplus revenue account.

(b) The commission will set an inception surcharge by order. After the inception surcharge has been set, the commission will modify the surcharge whenever necessary to avoid insufficient or excessive money in the surplus revenue account.

(c) After the commission determines the surcharge, each local exchange carrier shall submit to the commission a compliance tariff filing that includes the surcharge using the procedures set out in 3 AAC 48.270.

(d) The commission will establish a two-tier surcharge with one tier

for residential and single-line business subscribers and another tier for multi-line business subscribers.

(e) Each local exchange carrier shall list the surcharge as a separate line item on bills for service and entitle it "Universal Access Surcharge."

(f) Each local exchange carrier shall collect the surcharge for each access line from subscribers of local exchange service.

(g) The TRS provider shall retain as compensation for services an amount equal to its authorized monthly revenue requirement.

(h) If the TRS provider collects an amount in excess of its monthly revenue requirement, the TRS provider shall hold that excess amount in a low-risk interest bearing account and entitle it the "surplus revenue account".

(i) The TRS provider may draw from the surplus revenue account in any month in which an underrecovery of surcharge revenue occurs. An underrecovery means that the total surcharge collections from local exchange carriers for a given month is less than the TRS provider's revenue requirement for that month. The amount drawn from the surplus revenue account may not exceed the amount of the underrecovery. The amount of the underrecovery is calculated as follows:

UNDERRECOVERY = MONTHLY REVENUE REQUIREMENT - MONTHLY SURCHARGE COLLECTION

(j) If sufficient money is not available in the surplus revenue account to cover the underrecovery in a given month, the TRS provider may assess an interest charge on the unrecovered amount. The interest charge is assessable at the rate of 0.287 percent per day and collectible by the TRS provider in the next month in which sufficient money is available.

(k) Each local exchange carrier shall disburse surcharge collections on a monthly basis to the TRS provider in the following manner:

(1) by the 10th calendar day of each month, or the next working day if the 10th falls on a Saturday, Sunday, or bank holiday, each local exchange carrier shall pay to the TRS provider surcharge revenues collected from telephone subscribers; each local exchange carrier shall send a report, with the payment, showing the number of residential lines, single-line business lines, and multi-line business lines to which a surcharge was assessed; the report must also include the number of uncollectible surcharges and the amount collected from previous months' uncollectible surcharges, separated by each month;

(2) payment is delinquent if it is not made by the 10th calendar day of each month or the next working day if the 10th falls on a Saturday, Sunday, or bank holiday; payment must be made by wire transfer or electronic funds transfer directly to the TRS provider's bank account;

(3) if electronic funds transfer is not technically feasible, payment must be made by check with immediately available money and mailed before the due date;

(4) if payment is not received in immediately available money on or before the due date, the TRS provider may assess a finance charge; the tariffed interest rate may not exceed the rate set by AS 45.45.010(a); a single late charge may be imposed when the account first becomes past due; charges for late payment must be deposited directly to the surplus revenue account unless sufficient money to cover the TRS provider's monthly revenue requirement is not available.

(l) An amount remaining in the surplus revenue account at the termination of a TRS provider's contract must be transferred within 30 days to the succeeding TRS provider. (Eff. 12/2/92, Register 124; am 2/23/2001, Register 157)

Authority: AS 42.05.141  
AS 42.05.151

AS 42.05.296  
AS 42.05.311

AS 42.05.321

**3 AAC 51.199. Definitions.** (a) In this chapter, unless the context requires otherwise,

(1) "basic TRS" means the minimum operational, technical, and functional standards, and the services and programs required by 3 AAC 51.020(e);

(2) "billable minute" or "billable minute of use" means the time period measured in minutes beginning from the point when a communication assistant connects to an incoming relay call until the moment the communication assistant disconnects from the last party to the call; "billable minute"

(A) includes incomplete calls that do not reach the intended party, such as a busy signal, no answer, or wrong number; and

(B) does not include the time in queue, such as the incoming call is ringing or the time waiting for the call to connect to the communication assistant;

(3) "immediately available money" means a corporate or personal check drawn on a bank account for which money is available for use by the receiving party on the same day that the check is received and includes United States Federal Reserve Bank wire transfers, United States currency, and United States Postal Money Orders;

(4) "monthly revenue requirement" means the product of the number of billable minutes of use for a given month times the TRS provider's billable minute-of-use rate as specified in its application to provide TRS;

(5) "multi-line business subscriber" means a business subscriber that maintains more than one business telephone line from a local exchange carrier within the subscriber's serving area;

(6) "optional services" means a TRS that is not included in basic TRS;

(7) "single-line business subscriber" means a business subscriber that maintains only one business telephone line from a local exchange carrier within the subscriber's serving area;

(8) "surcharge" means the rate set by the commission to recover an estimated monthly revenue requirement of the TRS provider;

(9) "telecommunications relay service" or "TRS" means a telephone transmission service that provides the ability for an individual who is deaf, hard-of-hearing, or speech-impaired to engage in communication by wire or radio with a hearing individual in a manner that is functionally equivalent to the ability of an individual who is not deaf, hard-of-hearing, or speech-impaired to communicate using voice communication services by wire or radio; "TRS" includes services that enable two-way communication between an individual who uses a TTY or other nonvoice terminal device and an individual who does not use such a device;

(10) "TTY" means a machine that employs graphic communication in the transmission of coded signals through a wire or radio communications system.

(b) Definitions contained in 3 AAC 48.820, 3 AAC 52.340, and 3 AAC 52.399 also apply to the defined words as they are used in 3 AAC 51.010 — 3 AAC 51.199 (Eff. 12/2/92, Register 124; am 2/23/2001, Register 157)

Authority: AS 42.05.141

AS 42.05.151

AS 42.05.296

**Editor's note:** A copy of 47 C.F.R. 64.604, referenced in 3 AAC 51.020(e)(1) and 3 AAC 51.030(a)(3), is available for inspection at the office of the Regulatory Commission of Alaska located at the address set out in 3 AAC 48.010(a). A copy of

47 C.F.R. 64.604 may also be obtained from the Federal Communications Commission, 445 12th Street S.W., Washington D.C. 20554. That final rule was published in 65 Federal Register, 38436—38440 (June 21, 2000).

## Chapter 52. Operation of Public Utilities.

### Article

1. Gas Utilities (3 AAC 52.010 — 3 AAC 52.080)
2. Allocation of Facilities and Services Between Competing Electric Utilities (3 AAC 52.110 — 3 AAC 52.150)
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)
9. Plant Replacement and Improvement Surcharge Mechanism (3 AAC 52.800 — 3 AAC 52.890)
10. Joint Use of Utility Facilities (3 AAC 52.900 — 3 AAC 52.940)

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**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. Revisions to regulations to reflect changes in state agencies' names were made by the regulations attorney in accordance with ch. 58, SLA 1999 and AS 44.62.125(b)(6).

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### Article 1. Gas Utilities.

#### Section

10. Application
20. Compliance with Minimum Federal Safety Standards for Gas Lines
30. Records, reports, and inspection for compliance

#### Section

40. Pipeline locating service
50. (Repealed)
60. Record of nonscheduled interruptions
70. Accidents or incidents
80. Definitions

**3 AAC 52.010. Application.** (a) The provisions of 3 AAC 52.010 — 3 AAC 52.080 apply to all utilities either now or hereafter subject to the regulatory jurisdiction of the Regulatory Commission of Alaska.

(b) Upon acceptable showing by a utility, the commission may waive, as to that utility, the provisions of any regulation in 3 AAC 52.010 — 3 AAC 52.080 or any provision of the Minimum Federal Safety Standards for Gas Lines with approval of the Secretary of Transportation.

(c) No utility may deviate from the regulations in 3 AAC 52.010 — 3 AAC 52.080 or the standards cited in (b) of this section without the commission's prior written approval.

(d) If nonjurisdictional entities at their discretion elect to conform to 3 AAC 52.010 — 3 AAC 52.080, the commission will cooperate with them in maintaining records and developing procedures to enhance the public safety. (Eff. 2/21/69, Register 30; am 1/13/73, Register 44; am 4/24/2004, Register 170)

Authority: AS 42.05.141 AS 42.05.541 AS 42.05.711  
AS 42.05.151 AS 42.05.691

**3 AAC 52.020. Compliance with Minimum Federal Safety Standards for Gas Lines.** Each utility shall construct and maintain gas transmission and distribution facilities in accordance with the Minimum Federal Safety Standards for Gas Lines, as defined in 3 AAC 52.080(c). (Eff. 2/21/69, Register 30; am 1/13/73, Register 44)

Authority: AS 42.05.291

**3 AAC 52.030. Records, reports, and inspection for compliance.** (a) Each utility shall establish and maintain records, make reports and provide information required by the commission to enable it to determine whether the utility has acted or is acting in compliance with the Natural Gas Pipeline Safety Act of 1968 and the standards adopted in 3 AAC 52.020. The records, reports and information shall be kept in accordance with AS 42.05.491.

(b) Each utility shall file with the commission a plan for inspection and maintenance of each pipeline facility owned or operated by the utility, and any changes in the plan. If the commission finds that the plan is inadequate to achieve safe operation, the commission shall, after notice and opportunity for a hearing, require the plan to be revised. (Eff. 2/21/69, Register 30; am 1/13/73, Register 44)

Authority: AS 42.05.141 AS 42.05.461 AS 42.05.501

**3 AAC 52.040. Pipeline locating service.** Each utility shall offer "line locating" service to any individual or utility requiring such service. The utility shall make a reasonable effort to assure that the availability of this service is made known throughout its area of operation. If a charge is made for this service, it shall be based on the cost to the utility of the personnel required to operate the equipment and shall not afford the utility any allowance for the utilization of equipment. (Eff. 2/21/69, Register 30; am 1/13/73, Register 44)

Authority: AS 42.05.291

**3 AAC 52.050. Distribution pipeline maintenance.** Repealed 1/13/73.

**3 AAC 52.060. Record of nonscheduled interruptions.** Each gas utility shall keep a record of each nonscheduled interruption to service, showing the location, date, time, duration and cause of each interruption. This record shall be retained by the utility for three years and may be inspected by any person after meeting the requirement of AS 42.05.440. (Eff. 2/21/69, Register 30; am 1/13/73, Register 44)

Authority: AS 42.05.141

**3 AAC 52.070. Accidents or incidents.** (a) Each utility shall cooperate with the commission to promote a reduction in hazard within the industry and to the public.

(b) Each utility shall report each accident immediately by the most expeditious means available, preferably by telephone or in person, to the commission at the commission's office in Anchorage, Alaska, or to a person designated by the commission. The notification shall include the location and time of the accident, a brief description of what occurred, and names of the individual(s) in charge of the repair operation and the individual(s) to be contacted by the commission for additional information.

(c) A written report of each accident shall be filed with the commission within 20 days after each accident. The report shall be made on the commission's "Gas Distribution Pipeline Accident or Incident Report" form or the United States Department of Transportation's Form DOT-F-7100.2 for transmission and gathering systems. If the accident investigation is not completed within the 20-day period, the utility shall file an additional written report with the commission upon the completion of the investigation and a written report of the progress of the investigation every 90 days until the investigation is complete. (Eff. 2/21/69, Register 30; am 1/13/73 Register 44)

Authority: AS 42.05.141

AS 42.05.291

**3 AAC 52.080. Definitions.** Unless the context indicates otherwise, in 3 AAC 52.010 — 3 AAC 52.070

(1) "accident" means an accident or incident occurring in the state involving escape of gas from gas gathering, transmission or distribution facilities resulting in personal injury requiring hospitalization, fatality, or property damage exceeding \$1,000;

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

(3) "Minimum Federal Safety Standards for Gas Lines" or "standards" means the Minimum Federal Safety Standards for Transportation of Natural Gas and other gas by pipeline, 49 C.F.R. Part 192, revised as of January 1, 1972. A copy of these standards may be obtained from or reviewed at the commission office located in Anchorage, Alaska; and

(4) "utility" means a public utility that owns, operates, manages, or controls a plant or system of facilities used for the transmission or distribution of natural or manufactured gas or other inflammable gas, to the extent that the system, plant, or facilities are included in the term "public utility" as defined by AS 42.05.990. (Eff. 2/21/69, Register 30; am 1/13/73, Register 44; am 2/24/2004, Register 170)

Authority: AS 42.05.141

AS 42.05.291

AS 42.05.990

**Article 2. Allocation of Facilities and Services Between  
Competing Electric Utilities.**

Section	Section
110. Purpose	130. Hearing
120. Authority to construct facilities or serve customers	140. Appeals
	150. Definitions

**3 AAC 52.110. Purpose.** The purpose of 3 AAC 52.110 — 3 AAC 52.150 is to prevent duplication of electric facilities and services in those geographical areas of the state in which two or more electric utilities compete. (Eff. 8/11/76, Register 59; am 6/29/84, Register 90)

**Authority:** AS 42.05.141                      AS 42.05.151                      AS 42.05.221

**3 AAC 52.120. Authority to construct facilities or serve customers.** (a) No electric utility operating in direct competition with one or more electric utilities within the same geographical area may construct or install electric facilities or provide a service connection for a customer located within a disputed service area without the approval of the commission.

(b) The commission will grant approval to provide a service connection for a customer located within a disputed area if

(1) the utility requesting approval receives the concurrence of the competing utility and submits to the commission a signed "Waiver of Objection" on a form provided by the commission; or

(2) a determination is made by the commission, after hearing, that one or the other of the utilities is the appropriate one to provide the service. (Eff. 8/11/76, Register 59)

**Authority:** AS 42.05.151(a)                      AS 42.05.221(d)

**3 AAC 52.130. Hearing.** (a) If an applicant utility is unable to obtain concurrence from a competing utility, the commission will appoint a member of its staff as an examiner to conduct a hearing.

(b) The staff examiner shall

(1) notice the hearing for a time convenient to all interested parties;

(2) hear all relevant evidence;

(3) record the testimony presented;

(4) within 24 hours after the close of the hearing, issue a decision as to which utility is the most appropriate one to serve the customers;

(5) stay the decision if, within 24 hours after the decision is announced, a party appeals the decision.

(c) The criteria to be weighed by the staff examiner in making a decision include

(1) the cost to the utility to provide the service connection;

(2) the cost to be assessed to the customer by the applicant utility;

(3) the proximity of the service connection point to each of the competing utilities' electric distribution facilities; and

(4) the geographical proximity of the service connection to the area generally served by each competing utility. (Eff. 8/11/76, Register 59; am 6/29/84, Register 90)

Authority: AS 42.05.141

AS 42.05.151

AS 42.05.221

**3 AAC 52.140. Appeals.** (a) Each party to a hearing conducted under 3 AAC 52.130 may appeal the staff examiner's decision to the commission within 24 hours after that decision is issued.

(b) Pending appeal, neither party may provide service to the applicant customer.

(c) All appeals will be heard within three business days of filing, the commission's docket schedule permitting.

(d) The scope of a public hearing held under (a) of this section in response to an appeal of a staff examiner's decision is limited to

(1) review and consideration of the evidence and argument presented at the hearing conducted under 3 AAC 52.130;

(2) affirming, reversing, or modifying the decision issued by the staff examiner. (Eff. 8/11/76, Register 59; am 6/29/84, Register 90)

Authority: AS 42.05.141

AS 42.05.151

AS 42.05.221

**3 AAC 52.150. Definitions.** Unless the context indicates otherwise, in 3 AAC 52.110 — 3 AAC 52.150

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

(2) "electric utility" means a public utility or utility as defined in AS 42.05.990;

(3) "disputed service area," unless otherwise defined by the commission by order, means that territory or part of that territory where two competing electric utilities have proximate electric distribution facilities and that is being served, or attempting to be served, simultaneously by the two competing electric utilities. (Eff. 8/11/76, Register 59; am 6/29/84, Register 90; am 4/24/2004, Register 170)

Authority: AS 42.05.141

AS 42.05.151

AS 42.05.221

### Article 3. Telephone Utilities.

#### Section

200. Application, purposes, and policies  
 210. Business office  
 220. Held applications  
 230. Subscriber billing  
 240. (Repealed)  
 250. (Repealed)  
 260. Engineering and maintenance  
 270. Service interruptions  
 280. Customer reports  
 290. Installation service

#### Section

300. Operator handled calls  
 310. Switching design standards  
 320. Information to be furnished  
 330. Capital program and planning statement  
 333. Access to intrastate interexchange carriers  
 334. Customer notice of access options and presubscription  
 336. Presubscription of public telephones

Section  
340. Definitions

**3 AAC 52.200. Application, purposes, and policies.** (a) Except as provided in 3 AAC 53.800(a), 3 AAC 52.200 — 3 AAC 52.340 apply to all telephone utilities subject to the regulatory jurisdiction of the commission. These sections govern the furnishing of telecommunications services and facilities to the public. The purpose of 3 AAC 52.200 — 3 AAC 52.340 is to establish service standards to ensure that reasonably continuous, uninterrupted, and prompt service will be rendered to the public.

(b) The provisions of (d) of this section, 3 AAC 52.333, 3 AAC 52.334, 3 AAC 52.340, and 3 AAC 53.190 apply to all telephone utilities whether or not they are otherwise exempt from regulation by the commission under AS 42.05.711.

(c) The standards in 3 AAC 52.200 — 3 AAC 52.340 do not create a private right of action on behalf of any utility subscriber. However, nothing in 3 AAC 52.200 — 3 AAC 52.340 relieves a utility from any of its duties under AS 42.05, or any other laws of the state, or from any other regulations, orders, or directives of the commission, nor does it preclude the commission from imposing sanctions or levying penalties under AS 42.05.561 — 42.05.611 or taking any other action authorized under AS 42.05, with respect to utility services and facilities.

(d) For good cause shown, the commission will, in its discretion, waive all or any portion of these standards as applicable to any individual utility or may establish interim standards.

(e) The procedures and practices prescribed in 3 AAC 52.200 — 3 AAC 52.340 are to be followed and implemented in good faith by the utility and require related prudent management in an effort to maintain the proper balance between economic effectiveness and an acceptable quality of service.

(f) Where appropriate, the standards define surveillance levels. Failure to provide service better than the levels defined generally indicates a need for investigation or corrective action on the part of the utility.

(g) The staff of the commission will monitor all telephone utilities' compliance with 3 AAC 52.200 — 3 AAC 52.340 and will take investigative action where it considers that action appropriate. (Eff. 1/5/79, Register 69; am 6/29/84, Register 90; am 6/27/92, Register 122; am 9/20/96, Register 139; am 11/11/2001, Register 160)

<b>Authority:</b>	AS 42.05.141	AS 42.05.311	AS 42.05.511
	AS 42.05.151	AS 42.05.321	AS 42.05.800
	AS 42.05.291	AS 42.05.331	AS 42.05.810

**3 AAC 52.210. Business office.** (a) Utility business offices generally must be so located and staffed that customers and others have convenient access to qualified personnel, including supervisory person-

nel where warranted, to provide information relating to services and rates, to accept and process applications for service, to explain charges on customer's bills, to adjust charges made in error, and generally to act as the representative of the utility. Where alternate service which may meet a customer's requirements is available from the utility, the utility shall make a reasonable effort to advise the customer of the most economic service available and to assist the customer in making his choice of service.

(b) The utility shall notify the customer of any service connection or installation charge to be applied to his bill before undertaking any action so chargeable, and shall inform the customer of the estimated initial bill for local service and all other applicable charges. Before performing the work, the utility shall provide the customer with an estimate of the charges to be levied for extraordinary construction, maintenance, replacement costs, expenses, or overtime work unless these charges are specifically set out in the utility's tariff or unless the customer specifically requests billing on a "keep cost order" basis. No costs exceeding that estimate may be charged the customer without advance written customer approval. Costs below the estimate must be reflected in reduced charges or refunds to the customer.

(c) The utility shall notify its customers and the public of all reasonably available means of contacting its business offices. The utility shall provide toll-free calling from each community that it serves to its business office whenever the business office is located outside of those communities.

(d) Telephone utilities shall make all reasonable efforts to acknowledge, and where appropriate to answer, all correspondence within 10 working days or as soon as reasonably possible thereafter. The utility shall maintain records of the contact. (Eff. 1/5/79, Register 69; am 6/29/84, Register 90)

**Authority:** AS 42.05.141  
AS 42.05.151

AS 42.05.291

AS 42.05.381

**3 AAC 52.220. Held applications.** (a) Normally, when a standard tariff service cannot be provided within the standard installation interval, all reasonable efforts shall be made to advise the applicant within 15 working days from the date of the initial application for service as to

(1) the reason for the delay;

(2) a possible interim grade or type of service that is available;  
and

(3) the probable date the requested service will be provided.

(b) If the utility is unable to meet any previously given service date, it shall advise the applicant as to the information set forth in (a) of this section at a reasonable interval before the originally scheduled service date.

(c) When a utility is unable to supply telecommunications service as

required by (a) of this section, the utility shall keep records by exchange or central office building identifying each applicant, the date of application, the date service was requested for, the class of service applied for, the reason for the inability to provide the service, a statement of the plans to provide service including a probable provision date, and copies of all correspondence with the applicant until service is provided. (Eff. 1/5/79, Register 69)

Authority: AS 42.05.141 AS 42.05.151 AS 42.05.291

**3 AAC 52.230. Subscriber billing.** (a) Each utility shall retain information used in the preparation of a subscriber's bill in sufficient detail to identify the subscriber and the applicable charges for all services rendered.

(b) Bills to subscribers must be rendered monthly and must contain a clear listing of all adjustments and other nonrecurring charges. One flat monthly charge may be shown for all local service furnished under the same telephone number, and this charge may be billed one month in advance. All toll charges must be itemized, specifying on a call-by-call basis the date of the call, the locations connected, the duration of the call, whether the call required special assistance (e.g., person-to-person, operated assisted, etc.), and the charge for the call.

(c) The utility shall grant credit for any toll call when the customer has reported as soon as reasonably possible that a wrong number was reached or that a portion of a call was inadequate for communication unless there is reason to believe that an adequate connection to the desired party was effected. (Eff. 1/5/79, Register 69)

Authority: AS 42.05.141 AS 42.05.151 AS 42.05.381

**3 AAC 52.240. Public pay telephone service.** Repealed. (Eff. 1/5/79, Register 69; repealed 1/11/2001, Register 157)

**3 AAC 52.250. Directories.** Repealed. (Eff. 1/5/79, Register 69; repealed 1/1/2016, Register 217)

**3 AAC 52.260. Engineering and maintenance.** (a) In order to maintain compatibility with the national telecommunications network, all telephone plants must be designed, constructed, maintained, and operated in accordance with the provisions outlined in the most current editions of such national industry recognized standards as the *National Electrical Safety Code* published by the Institute of Electrical and Electronics Engineers, Inc., the *Rural Electrification Administration (REA) Telephone Bulletins*, the *REA Telephone Operations Manual*, *Bell System Practices*, *Continental Telephone System Practices*, *General Telephone Engineering Practices*, *Northern Electric Practices*, or *Notes on Transmission Engineering* issued by the United States Independent Telephone Association.

(b) Each telephone utility shall provide equipment and facilities designed and engineered in accordance with forecasts based on known conditions of subscriber demand and shall maintain a stock of associated equipment adequate to meet that demand.

(c) Telephone utilities shall furnish and maintain in their service areas the necessary plant, equipment and facilities to provide modern, adequate, sufficient and efficient transmission of communications for any given grade of service between customers. Transmission for a given grade of service must be at adequate volume levels and free of excessive distortion. Levels of noise and cross-talk must not impair communications. The loss objective of trunks must be consistent with the requirements of the nationwide switching plan, and overall transmission losses within each trunk group may not vary by more than plus or minus two decibels.

(d) Telephone utilities may not provide switching service to service lines which do not meet standard technical criteria and shall eliminate nonconforming service lines.

(e) A telephone utility shall design and install facilities to comply with the requirements set out in the 3 AAC 53.700 — 3 AAC 53.720 (State Telecommunications Modernization Plan) or seek and obtain an extension of time under 3 AAC 53.700 to meet those requirements.

(f) Each telephone utility shall adopt and pursue a maintenance program of periodic tests, inspections, and field maintenance to achieve efficient operation of its system so as to permit safe, adequate, and continuous service at all times. The utility shall maintain reasonable records indicating compliance with this rule.

(g) Each utility shall maintain or have access to test facilities enabling it to determine the operating and transmission capabilities of all equipment and facilities, both for routine maintenance and for fault location.

(h) Telephone utilities shall maintain as part of each central office entity a test line providing connection on a dial-up basis to an accurate 1004 hertz milliwatt power source and a quiet termination. In addition, a loop-around test line must be maintained at all central office entities. Central offices not having test lines should have these installed along with any central office addition or change-out, but no later than January 1, 1981.

(i) Each telephone utility shall undertake additions to and modifications of its equipment and facilities as may be required to provide on customer-dialed toll calls from individual line stations a method to automatically identify the calling number for billing purposes. This program must be initiated without unreasonable delay; and it must be completed by January 1, 1982.

(j) Each utility shall maintain current equipment assignment records, cable assignment records, office equipment drawings, office trunking diagrams, and outside plant layout drawings.

(k) Where mechanical or electronic means are used for registering or recording information which will affect a subscriber's bill, that

equipment must be in good mechanical and electrical condition, must be accurately read, and must be frequently inspected by the utility to ensure that it is functioning properly.

(l) Each utility shall maintain or have access to the necessary facilities, instruments, and equipment for testing its metering and recording equipment and shall adopt appropriate practices for periodic testing and maintenance to ensure the integrity of its operation.

(m) Upon the request of any subscriber, a utility shall test the billing devices associated with the subscriber's line, if the request is based upon reasonable grounds and the test is not requested by that subscriber more frequently than once each 12 months without clear cause. (Eff. 1/5/79, Register 69; am 3/15/96, Register 137)

Authority:	AS 42.05.141	AS 42.05.291	AS 42.05.331
	AS 42.05.145	AS 42.05.311	AS 42.05.800
	AS 42.05.151	AS 42.05.321	

**3 AAC 52.270. Service interruptions.** (a) Each utility shall establish procedures to minimize service interruptions, and, where those interruptions occur, to speed the restoration of service. Each utility shall make provisions to meet prolonged increases in traffic, absences of employees, or damage resulting from fire, storm or similar contingencies. Each utility shall establish procedures to be followed by its employees in the event of these contingencies in order to prevent or mitigate interruption or impairment of service.

(b) Each central office and interconnecting network equipment site shall contain provisions for reserve power to keep all equipment operating without interruption for at least eight hours at the busy-hour load following the failure of the primary electric power source.

(c) If telephone service must be interrupted for purposes of working on the lines or equipment, the utility shall attempt to do the work at a time which will cause minimal inconvenience to customers and to notify subscribers in advance of the interruption. The utility shall make available to the public emergency services for the duration of the interruption if reasonably possible. (Eff. 1/5/79, Register 69)

Authority:	AS 42.05.141	AS 42.05.151	AS 42.05.291
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**3 AAC 52.280. Customer reports.** (a) Each utility shall strive to reduce the rate of customer trouble reports to a monthly rate of six per 100 stations per reporting exchange. Trouble report records must include appropriate identification of the customer or service affected, the time, date, and nature of the report, the action taken to clear the trouble or satisfy the complaint, and the date and time of trouble clearance or other disposition. A rate of customer trouble reports for each reporting unit exceeding 12 trouble reports per 100 stations for each month of a consecutive three-month period indicates a need for investigative or corrective action by the telephone utility. These trouble

report rates do not apply to reports resulting from interruptions caused by emergency situations, unavoidable casualties, acts of God, reports that do not affect service, or troubles to be found beyond the control of the utility or due to subscriber-owned equipment.

(b) The utility shall clear troubles associated with emergency services at all hours at all locations consistent with the bona fide needs of customers and the personal safety of utility personnel.

(c) The objective of each telephone utility must be to clear all out-of-service troubles within the periods specified below following the reporting of the trouble to the telephone utility (Sundays and holidays excepted)

(1) 48 hours at locations accessible by maintained highway from a manned utility repair facility;

(2) five days at all other locations.

(d) Excepted from (c) of this section are troubles caused by unavoidable casualties and acts of God affecting large groups of subscribers, troubles due to subscriber-owned equipment, or when access to telephone equipment repair personnel is restricted by the customer. The surveillance level is to meet the above objectives in 95 percent of all cases.

(e) If unusual repairs are required, or other factors preclude clearing of reported trouble promptly, reasonable efforts must be made to notify affected subscribers.

(f) Every reasonable effort must be made to meet appointments made with subscribers; and if, due to circumstances, the appointment cannot be kept by the telephone utility, every reasonable effort must be made by the utility to notify the subscriber in advance. (Eff. 1/5/79, Register 69)

Authority: AS 42.05.141

AS 42.05.151

AS 42.05.331

**3 AAC 52.290. Installation service.** (a) Where central office and outside plant facilities are readily available, the objective of each utility must be to satisfy 85 percent of all requests for primary service in any calendar month within an interval of five working days after receipt of application, except where special equipment or services are involved. Failure to complete 80 percent of all requests for primary service in any calendar month within 10 working days indicates a need for corrective action by the utility. Commitments are not considered missed when the failure to complete the requested installation or the service request results from subscriber action.

(b) The object of each utility must be to complete all regrade requests not requiring substantial amounts of construction within 30 days, except where the subscriber requests a later date. If the utility is unable to complete a regrade order within 30 days, the utility shall make all reasonable efforts to advise the subscriber of the reason for the unavailability of the requested service and whether that service may be available in the near future. (Eff. 1/5/79, Register 69)

Authority: AS 42.05.141

AS 42.05.151

AS 42.05.331

**3 AAC 52.300. Operator handled calls.** (a) Each utility shall maintain adequate personnel and equipment to answer 90 percent of all calls directed to the toll operator within 10 seconds. The surveillance level is reached when answering an average of less than 85 percent of all calls directed to the toll operator within 10 seconds for each month of any consecutive three-month period. An equivalent answering time objective is an average answer time of 2.8 seconds in each month of any consecutive three-month period; and the surveillance level is when the average answer time is greater than four seconds.

(b) Directory assistance, intercept calls, and auxiliary services must have an answering time objective of 85 percent of calls answered within 10 seconds. Excessive answer times that adversely affect toll trunk usage indicate a need for corrective action by the utility.

(c) For purposes of this section, "answer" means that the operator or representative is ready to render assistance or ready to accept the information necessary to process the call. An acknowledgement that the customer is waiting on the line does not constitute an "answer."

(d) Each utility shall make answering time studies of its operator services, using recognized sampling techniques, to the extent and with the frequency necessary to determine compliance with this section. Monthly summaries of these studies, prepared with respect to each appropriate operator grouping, must be filed with the commission promptly after the end of each calendar quarter. (Eff. 1/5/79, Register 69)

Authority: AS 42.05.141  
AS 42.05.151

AS 42.05.291

AS 42.05.331

**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;

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

(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 52.320. Information to be furnished.** (a) Each telephone utility shall report to the commission all instances where the quality of service it provides fails to meet the surveillance levels specified in these standards for three consecutive months. That report must be filed with the commission within 30 days following the three-month period during which the surveillance levels have not been attained.

(b) Each telephone utility shall report as soon as reasonably possible to the commission any specific occurrence or development which disrupts the service to five percent or more of its subscribers in a particular exchange or which has a significant adverse effect on toll network performance. A failure of the automatic number-identifying equipment or a failure of 25 percent or more trunks in any trunk group for a period of more than one hour is considered a significant disruption of service.

(c) Each telephone utility shall furnish to the commission staff, at

the times and on the forms or in the format the commission may require, the results of any required tests and summaries of required reports. The utility also shall furnish the commission with any information concerning the utility's facilities or operations which the commission may request. (Eff. 1/5/79, Register 69)

Authority: AS 42.05.141                      AS 42.05.291                      AS 42.05.331  
AS 42.05.151

**3 AAC 52.330. Capital program and planning statement.** In addition to the annual report required by AS 42.05.451(b), a telephone utility shall file annually with this commission a listing of its projected capital improvements projects that exceed \$15,000, arranged by major plant categories, for the current year and the ensuing two years. This filing must include a technical planning statement giving the reasoning underlying the construction program and a demand and facility chart for each central office entity or toll switching facility. The commission will prescribe the form or the format of the report. It is understood that changes after filing may be necessary as economic conditions, experience, and further study dictate. (Eff. 1/5/79, Register 69)

Authority: AS 42.05.141                      AS 42.05.151                      AS 42.05.511

**3 AAC 52.333. Access to intrastate interexchange carriers.** (a) As set out in (b) — (c) of this section, a local exchange telephone utility providing service to an exchange shall install and maintain plant, equipment, and facilities necessary to provide 2-PIC dialing in that exchange upon receipt of a bona fide request for interconnection.

(b) If a local exchange telephone utility receives a bona fide request for interconnection in an exchange where interstate equal access is available at the time of the request, that utility shall implement 2-PIC dialing in that exchange within 90 days after receipt of that request. Upon implementation of 2-PIC dialing, the access line or lines of each customer will be presubscribed to the incumbent carrier until the local exchange telephone utility receives a request from an interexchange carrier to change the customer's interexchange carrier.

(c) If a local exchange telephone utility receives a bona fide request for interconnection in an exchange where interstate equal access is not being provided at the time of the request, that utility shall provide 2-PIC dialing at the same time and on the same schedule as required by the Federal Communications Commission for the implementation of interstate equal access. In this event, presubscription balloting for intrastate interexchange carriers shall be conducted by that utility in coordination with balloting for interstate interexchange carriers, as follows:

(1) At least 45 days in advance of the mailing of interstate interexchange presubscription ballots, a local exchange telephone

utility shall file with the commission for review and approval a proposed intrastate interexchange presubscription ballot that lists the available intrastate interexchange carriers. The ballot must clearly state that a customer may select different interexchange carriers for intrastate and interstate interexchange services.

(2) Pending the conversion to 2-PIC equal access, 1-plus and no-plus intrastate interexchange calls and 0-minus calls must be routed to the incumbent carrier. Other intrastate interexchange carriers shall obtain access through Feature Group A or Feature Group B access from the local exchange telephone utility, without discount, or through the incumbent carrier's 2-PIC equal access tandem.

(d) If a local exchange telephone utility desires a waiver of (b) of this section, that utility must file a motion for that waiver within 30 days after receipt of a bona fide request for interconnection and include a schedule that states when 2-PIC dialing can be provided, the financial and technical basis for the waiver request, and a proposed public notice of the interim dialing arrangements. The proposed public notice must explain the 1-PIC dialing arrangements, list carriers available to provide both intrastate and interstate interexchange services, and describe the actions necessary to change a presubscribed access line to a different interstate interexchange carrier.

(e) If a waiver of (b) of this section is granted, the local exchange telephone utility shall implement 1-PIC dialing for the period prior to 2-PIC implementation in accordance with the following rules:

(1) Within 14 days after commission approval of a waiver and associated public notice, the local exchange telephone utility shall mail copies of the approved notice to its customers. Each intrastate interexchange carrier listed on the notice will be billed by the local exchange telephone utility for an equal share of the cost of providing notice under this paragraph.

(2) The local exchange telephone utility shall implement 1-PIC dialing 45 days after the commission approves of the waiver. (Eff. 6/27/92, Register 122; am 10/29/94, Register 132; am 11/11/2001, Register 160; am 4/24/2004, Register 170)

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

**3 AAC 52.334. Customer notice of access options and presubscription.** (a) For a period of three years after a local exchange telephone utility initially provides 2-PIC dialing, that utility must annually include in a periodic billing or in a separate mailing a notice to customers listing available intrastate interexchange carriers and explaining the actions that must be taken to change carriers and the cost of making the change.

(b) Repealed 11/11/2001.

(c) Repealed 11/11/2001.

(d) Repealed 11/11/2001. (Eff. 6/27/92, Register 122; am 7/8/93, Register 127; am 11/11/2001, Register 160)

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

**3 AAC 52.336. Presubscription of public telephones.** (a) A public telephone is subject to presubscription. The owner of premises on which a public telephone is located has the right to presubscribe that telephone.

(b) If a local exchange telephone utility receives a bona fide request to provide service to public telephones on a presubscribed basis in an exchange where equal access is being provided at the time of the request, that utility shall implement public telephone presubscription within 30 days after receipt of the request. Upon implementation of public telephone presubscription, the routing of a public telephone access line will remain unchanged until the local exchange telephone utility receives a written letter of authorization signed by the owner of premises changing presubscription for that public telephone to another certificated interexchange carrier.

(c) Within 30 days of receipt of a request under (b) of this section, the local exchange telephone utility shall mail a notice to each owner of premises in its service area. The notice must inform each owner of premises that it may presubscribe the public telephones on its premises to the interexchange carrier of its choice. The notice must also list available interexchange carriers. The local exchange telephone utility shall provide each interexchange carrier with a complete list of the names and addresses to which the notice is mailed.

(d) If a local exchange telephone utility receives a bona fide request under 3 AAC 52.333(c), the local exchange telephone utility shall conduct presubscription balloting for public telephones in coordination with and on the same schedule as balloting for other phones, as required by 3 AAC 52.333(c). However, the interexchange carrier that made a bona fide request for equal access may delay provision of service to public telephones, in which case (b) of this section will apply. Technical difficulties associated with service to public telephones may not delay provision of 2-PIC dialing to other phones in accordance with 3 AAC 52.333(c).

(e) Each local exchange telephone utility shall affix on the face of each public telephone, in addition to any other required information, the name of the presubscribed interexchange carrier.

(f) Unless the context indicates otherwise, in this section

(1) "owner of premises" means the owner of premises on which a public telephone is located or, for leased premises, the lessee, unless otherwise provided in the lease;

(2) "public telephone" means a public or semi-public pay telephone. (Eff. 9/15/94, Register 131)

Authority: AS 42.05.141  
AS 42.05.151

AS 42.05.311  
AS 42.05.321

AS 42.05.800  
AS 42.05.810

**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 incumbent 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) repealed 1/1/2016;

(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 an 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; am 1/1/2016, Register 217)

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	

**Editor's note:** A copy of the commission docket certifying the "incumbent carrier" to provide intrastate interexchange telephone service is available for review at the offices of the Regulatory Commission of Alaska as specified in 3 AAC 48.010(a).

#### Article 4. Criteria for Intrastate Interexchange Telephone Competition.

Section	Section
350. Applicability, finding, purpose, and waiver	376. Promotions
355. (Repealed)	377. Detariffing of prepaid calling card services
358. Registration	380. Reporting, verification, and auditing requirements
360. Certificates of public convenience and necessity	381. Interexchange carrier of last resort
361. (Repealed)	382. Reassignment of interexchange carrier of last resort duties
363. (Repealed)	383. Elimination of interexchange carrier of last resort duties
365. Discontinuance, suspension, or abandonment of service	384. Emergency interexchange carrier of last resort
367. Online tariff of registered entities	385. Standards of service
370. Retail rates	390. Miscellaneous provisions
372. Long distance rate reductions from elimination of carrier common line rates	399. Definitions
375. Wholesale service and rates	

#### 3 AAC 52.350. Applicability, finding, purpose, and waiver.

(a) The provisions of 3 AAC 52.350 — 3 AAC 52.399 apply to all interexchange carriers and alternate operator service providers that furnish intrastate interexchange telephone service within this state.

(b) The commission finds that the competitive provision of intrastate interexchange telephone service in accordance with the provisions of 3 AAC 52.350 — 3 AAC 52.399 is required by the public convenience and necessity.

(c) The purpose of 3 AAC 52.350 — 3 AAC 52.399 is to allow

competition in the provision of intrastate interexchange telephone service to the extent possible while maintaining and promoting universal intrastate interexchange telephone service at geographically averaged rates.

(d) Notwithstanding (a) — (c) of this section, 3 AAC 52.350(b), 3 AAC 52.358, and 3 AAC 52.360 do not apply to an interexchange carrier that is also an incumbent local exchange carrier. An incumbent local exchange carrier may file an application to provide intrastate interexchange telephone service under 3 AAC 48.600 — 3 AAC 48.661.

(e) Unless otherwise required under AS 42.05, a requirement in 3 AAC 52.350 — 3 AAC 52.399 may be modified or waived, in whole or in part, by order of the commission and a showing of good cause or on the commission's own motion. An applicant shall file and the commission will consider an application in accordance with 3 AAC 48.805. (Eff. 3/16/91, Register 117; am 5/18/2003, Register 166)

Authority: AS 42.05.141  
AS 42.05.151

AS 42.05.221  
AS 42.05.325

AS 42.05.711  
AS 42.05.810

**3 AAC 52.355. Scope of competition.** Repealed. (Eff. 3/16/91, Register 117; repealed 3/9/2001, Register 157)

**3 AAC 52.358. Registration.** (a) Unless required by 3 AAC 52.360(a) to have a certificate of public convenience and necessity, an entity proposing to provide intrastate interexchange telephone service or alternate operator service shall register with the commission in accordance with this section.

(b) Except as provided in (c) of this section, an entity registering under this section shall submit a registration fee of \$100, and shall file the following information on a form prescribed by the commission:

(1) the entity's legal name and the name under which the entity proposes to do business;

(2) the addresses of the entity'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 registration;

(4) the entity's type of business structure, including proof of incorporation and the name and address of the entity's registered agent if applicable;

(5) proof of the entity's authority to do business in this state;

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

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

(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 entity or its officers, directors, or affiliates to provide utility services;

(B) a reprimand, penalty, or conviction of the entity 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 the entity or its officers, directors, or affiliates;

(9) a list of all cases and locations in which the entity, or its officers, directors, or affiliates, have 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 entity, and resumes for each person;

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

(12) a copy of the entity's initial online tariff maintained in accordance with 3 AAC 52.367;

(13) a completed verification, on a form prescribed by the commission, and signed by the person authorized to sign on behalf of the entity, that the entity's tariff complies with AS 42.05 and this chapter;

(14) the Internet address of the entity's online tariff;

(15) an explanation as to whether resold services will be obtained from

(A) another carrier's intrastate wholesale tariff;

(B) another carrier's intrastate retail tariff;

(C) an interstate contract or tariff; or

(D) some other mechanism;

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

(c) An interexchange carrier that has obtained a certificate of public convenience and necessity to provide intrastate interexchange telecommunications service shall register under this subsection within six months after May 18, 2003, if after that date the carrier is no longer required to be certificated under 3 AAC 52.360(a). A certificated interexchange carrier registering under this subsection shall return its certificate and submit a registration fee of \$100 to the commission. The carrier shall provide the information listed in (b)(1) — (b)(3), (b)(12), (b)(13), and (b)(14) of this section on a form prescribed by the commission.

(d) An entity registering under this section shall have tariffed rates no greater than the maximum rates listed in this subsection, except that these maximum rates do not apply to prepaid calling card services provided in accordance with 3 AAC 52.377:

(1) for flat-rate per minute calls, \$.35 per minute;

(2) for daytime mile-sensitive calls, the rates shown in the following table:

Mileage Band	Initial Minute	Each Additional Minute
0 — 34	\$0.33	\$0.13
35 — 64	\$0.37	\$0.17
65 — 94	\$0.41	\$0.21
95 — 124	\$0.44	\$0.24
125 — 154	\$0.47	\$0.27
155 — 184	\$0.50	\$0.29
185 — 214	\$0.54	\$0.33
215 — 274	\$0.57	\$0.36
275 — 334	\$0.59	\$0.38
335 — 394	\$0.59	\$0.38
395 — 454	\$0.59	\$0.38
455 or greater	\$0.59	\$0.38

(3) for evening mile-sensitive calls, 80 percent of the applicable daytime maximum rate set out in (2) of this subsection; the evening rate period is Sunday through Friday from 5:00 p.m. through 10:59:59 p.m.;

(4) for night and weekend mile-sensitive calls, 50 percent of the applicable daytime maximum rate set out in (2) of this subsection; the night and weekend rate period is

(A) Monday through Sunday, from 11:00 p.m. through 7:59:59 p.m.;

(B) all day Saturday;

(C) all day Sunday except 5:00 p.m. through 10:59:59 p.m.;

(D) January 1, known as New Year's Day;

(E) the third Monday in January, known as Martin Luther King, Jr.'s Birthday;

(F) the third Monday in February, known as Presidents' Day;

(G) the last Monday in May, known as Memorial Day;

(H) July 4, known as Independence Day;

(I) the first Monday in September, known as Labor Day;

(J) the second Monday in October, known as Columbus Day;

(K) October 18, known as Alaska Day;

(L) November 11, known as Veterans Day;

(M) the fourth Thursday in November, known as Thanksgiving Day; and

(N) December 25, known as Christmas Day;

(5) for directory assistance calls, \$1 per call;

(6) for a surcharge for originating a call from a pay telephone, \$.30 per call;

(7) for a surcharge for customer-dialed operator-assisted calls, \$.50 per call;

(8) for a surcharge for operator-dialed customer-assisted calls, \$1.55 per call;

(9) for a surcharge for person-to-person operator-assisted calls, \$3 per call.

(e) An entity registering under this section shall

(1) submit a \$5,000 bond if it requires the prepayment of services;  
(2) submit a \$1,000 bond if it does not require the prepayment of services;

(3) charge only rates that are geographically averaged statewide;

(4) maintain an online tariff in accordance with 3 AAC 52.367;

(5) list all state and local taxes and fees as separate line items on a customer's bill;

(6) modify its online tariff only after providing 30 days' notice to the commission and the public in accordance with 3 AAC 52.367;

(7) notify each new customer and annually notify existing customers that they may opt to receive notice of tariff revisions by electronic mail or by mail as provided in 3 AAC 52.367(e)(2);

(8) report all intrastate minutes as required under 3 AAC 52.380; and

(9) pay all intrastate access charges required under AS 42.05 and 3 AAC 48.440 and by applicable access charge tariffs.

(f) An entity registering under this section may not

(1) offer untariffed intrastate interexchange service; or

(2) tariff services that it is not prepared to provide as of the effective date in its tariff.

(g) An entity registered under this section shall, on or before January 31 of each year, renew its registration by filing a form prescribed by the commission. The registration renewal must include a statement of any changes to information submitted with the entity's registration, an annual registration renewal fee of \$50, and a verification that the entity is in compliance with the requirements of (e) and (f) of this section.

(h) The commission will verify receipt of a registration or registration renewal by returning a numbered registration or registration renewal receipt marked with the date the commission received the filing.

(i) Unless notified that its registration is rejected, the entity registering under this section may begin operation 45 days after the date the commission received the registration. Commission staff may reject an incomplete registration without prejudice to refile. If the commission rejects the registration with a finding that the entity is not fit, willing, or able to provide the proposed service, the entity may request a hearing.

(j) If the commission learns of a defect in a registration or registration renewal after an entity begins operation, the commission may issue an appropriate order to address the defect, including an order suspending the entity's operating authority, or requiring additional information. If the commission suspends an entity's operating authority under this section, the suspension will be stayed if the entity

requests a hearing within ten days after the date of the order. A defect in a registration includes incomplete, inaccurate, or misleading information. (Eff. 5/18/2003, Register 166)

Authority:	AS 42.05.141	AS 42.05.381	AS 42.05.661
	AS 42.05.151	AS 42.05.411	AS 42.05.711
	AS 42.05.221	AS 42.05.431	AS 42.05.810
	AS 42.05.361		

**3 AAC 52.360. Certificates of public convenience and necessity.** (a) The following entities are not eligible to register or renew registration under 3 AAC 52.358, and must file an application in compliance with this section to obtain a certificate of public convenience and necessity to provide intrastate interexchange telephone service:

(1) an entity that proposes to provide facilities-based intrastate interexchange telephone service, whether or not the entity is registered under 3 AAC 52.358;

(2) an interexchange carrier or alternate operator service provider that is registered under 3 AAC 52.358, if that entity has more than one million intrastate billable minutes per month for three consecutive months;

(3) an incumbent local exchange carrier;

(4) an entity that provides service to inmates in a correctional facility;

(5) an entity affiliated with either a facilities-based interexchange carrier or an incumbent local exchange carrier.

(b) An application for a certificate must include

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

(2) the address of the entity'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 proof of incorporation and the name and address of the applicant's registered agent, if applicable;

(5) proof of the applicant's authority to do business in this state;

(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 the applicant or its officers, directors, or affiliates;

(9) a list of all cases and locations in which the applicant, or its officers, directors, or affiliates, have 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

(A) the most recent year's balance sheet and income statement;

or

(B) 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 list of all locations proposed to be served on an originating basis;

(15) a list of all locations proposed to be served on a terminating basis;

(16) a description of all existing facilities that will be used to provide intrastate interexchange telephone service;

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

(18) a description of all facilities planned for construction within five years to provide intrastate interexchange telephone service;

(19) a description of all existing facilities, or facilities planned for construction within five years, that are or will be used to provide interstate interexchange service;

(20) a tariff of rates and services; and

(21) 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.

(c) Notice of an application for a certificate of public convenience and necessity to provide intrastate interexchange telephone service will be given in accordance with 3 AAC 48.645(a).

(d) The commission will issue a certificate of public convenience and necessity within 90 days after the date of filing of a complete certificate application by an entity that proposes to provide intrastate interexchange telephone service under this section and that is found by the commission to be fit, willing, and able to provide the proposed service.

(e) The commission may place conditions on a certificate of public convenience and necessity that it considers appropriate, including a condition that the interexchange carrier post a bond to assure compliance with commission rules and payment of access charges. (Eff. 3/16/91, Register 117; am 9/1/2002, Register 163; am 5/18/2003, Register 166)

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 52.361. Notice of certain federal applications.** Repealed. (Eff. 3/16/91, Register 117; repealed 9/1/2002, Register 163)

**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 52.367. Online tariff of registered entities.** (a) Except as provided in 3 AAC 52.377, a registered entity shall maintain a tariff, in hypertext markup language (HTML), on the Internet at an address associated with the carrier. The entity may maintain the online tariff in additional electronic formats for the convenience of the public, if the versions in the additional formats do not deviate in content from, and are substantially consistent in layout with, the version in hypertext markup language.

(b) In its online tariff, a registered entity may include the following charges, if the entity fully describes those charges in its online tariff, and if the charge complies with the requirements applicable to that charge:

(1) a customer deposit, if the entity's online tariff sets out objective criteria for determining when a customer deposit will be required; the deposit may not exceed the entity's estimate of two months' billings and may not be retained longer than two years unless the customer is delinquent in payment more than once in any 12 consecutive months; however, an alternate operator service provider may not require a customer deposit;

(2) late payment charges for bills not paid 30 days after the later of the billing invoice date or the billing postmark date; the entity may include only the following in a late payment charge:

(A) a one-time late payment fee not exceeding one percent of the unpaid amount;

(B) a finance charge not exceeding .0287 percent of the unpaid amount per day that the amount remains unpaid;

(3) a termination fee for a service with a term commitment, if the (A) termination fee is clearly stated in the term-of-service contract; and

(B) amount of the termination fee is reasonably related to the discount the customer received before termination and is not punitive.

(c) A registered entity's online tariff must include a table of contents and a section for setting out notices of any proposed tariff revisions, and must set out in plain language a statement of the following:

(1) customer complaint information, including

(A) an address and toll-free telephone number for customer complaints;

(B) a process for resolving complaints with customers;

(C) a statement that any unresolved disputes may be brought to the attention of the commission; and

(D) the commission's address and toll-free telephone number;

(2) a list of each state and municipal tax upon, and fee for, service, and a statement that each state and municipal tax and fee will be listed as a separate line item on a customer's bill;

(3) a statement that any costs sought under AS 09.68.115(a)(2) for a customer's dishonored check may be charged as a separate line item on a customer's bill;

(4) unless a service is provided statewide, the specific locations where a service is provided;

(5) a list of any special contracts for retail services; the list must identify each customer and the retail service specially provided to that customer;

(6) a statement that any limitation of liability provision in the online tariff is subject to the following:

(A) a registered entity may not disclaim liability for its own gross negligence or willful misconduct;

(B) inclusion of a limitation of liability provision in a registered entity's online tariff does not prevent a court of competent jurisdiction from

(i) determining the validity of the limitation of liability provision, or of any exculpatory clause, under applicable law; or

(ii) adjudicating negligence and consequential damage claims.

(d) At least 30 days before revising a provision of its online tariff, a registered entity shall file with the commission an original and two paper copies of

(1) the proposed tariff revision, and a compact disc or 3.5-inch diskette containing the proposed revised tariff in PC-compatible, hypertext markup language (HTML) format;

(2) a completed verification, on a form prescribed by the commission, and signed by the person authorized to sign on behalf of the entity, that the entity's tariff complies with AS 42.05 and this chapter; and

(3) the public notice of the proposed tariff revision required by (e) and (f) of this section.

(e) Public notice of a proposed tariff revision must be given by

(1) including the notice in the section of the entity's online tariff for proposed tariff revisions; and

(2) delivering the notice to members of the public that request notification of tariff modifications; delivery may be made by mail or electronic mail, at the entity's option.

(f) Public notice of a registered entity's proposed tariff revision must include a plainly written general description of the proposed tariff revision that is accurate and sufficient to alert consumers of any change to a rate or rule applicable to them, and also must include the following specific information:

(1) the date the entity filed or will file the proposed tariff revision with the commission;

(2) the date the entity proposes to make the revision effective;

(3) a statement that the entity's current tariff and proposed revisions are available for review at the entity's office and Internet web site, the address and business hours of the entity's office, and the Internet address of the entity's web site;

(4) a statement that any person may, within 20 days after the date of the notice, file comments on the tariff revision with the commission by mail or by electronic mail;

(5) the commission's address and electronic mail address where comments may be filed. (Eff. 5/18/2003, Register 166)

**Authority:** AS 42.05.141  
AS 42.05.151  
AS 42.05.361

AS 42.05.381  
AS 42.05.411

AS 42.05.431  
AS 42.05.711

**Editor's note:** The address of the Regulatory Commission of Alaska is 701 West Eighth Avenue, Suite 300, Anchorage, Alaska 99501. The commission's toll-free

telephone number in this state for consumer complaints is (800) 390-2782. The commission's electronic mail address for filing comments about a revision to an

online tariff maintained under 3 AAC  
52.367 is rca@mail@rca.state.ak.us.

**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) Repealed 10/6/2013. (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; am 10/6/2013, Register 208)

<b>Authority:</b>	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 52.372. Long distance rate reductions from elimination of carrier common line rates.** (a) To the extent possible and reasonable, and taking into consideration (1) costs of service; (2) changes in calling volumes; (3) changes in intrastate access charge rates; (4) jurisdictional cost differences; and (5) other relevant factors, interexchange carriers shall reduce intrastate long distance rates within a reasonable time after the elimination, under 3 AAC 53.350(c), of the carrier common line charge with the goal of achieving parity between intrastate long distance rates and interstate long distance rates.

(b) No later than three months after the elimination, under 3 AAC 53.350(c), of the carrier common line charge, an interexchange carrier shall file a report describing changes it has made in intrastate long distance rates. For a period of five full calendar years thereafter, no

later than March 31 of each year, an interexchange carrier shall file an annual report demonstrating the extent to which the carrier reduced intrastate long distance rates in the preceding calendar year in conformance with (a) of this section. The interexchange carrier's annual report must either demonstrate flow-through of access charge savings based upon the methodology developed through industry consensus and set out in the joint report submitted to the commission on December 13, 2001 in Docket R-01-1, or demonstrate reasonable progress towards achieving parity between intrastate long distance rates and interstate long distance rates. Under either approach, the annual report must include a schedule showing the change in dollars and minutes of intrastate long distance from year to year segregated between intrastate residential long distance and intrastate business long distance.

(c) If an interexchange carrier does not make reasonable progress toward the goal of reducing intrastate long distance rate schedules and plans to interstate levels, each customer bill that includes a rate that does not represent reasonable progress will be considered a separate violation of (a) of this section and subject to civil penalties under AS 42.05.571.

(d) For purposes of this section, the joint report submitted to the commission on December 13, 2001 in Docket R-01-1, *In the Matter of the Consideration of Reform of Intrastate Interexchange Access Charge Rules*, is adopted by reference. (Eff. 7/31/2011, Register 199)

Authority:	AS 42.05.141	AS 42.05.321	AS 42.05.571
	AS 42.05.145	AS 42.05.381	AS 42.05.581
	AS 42.05.151	AS 42.05.391	AS 42.05.611
	AS 42.05.311	AS 42.05.431	AS 42.05.840

**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 52.376. Promotions.** (a) An interexchange carrier may offer promotions to induce customers to use its services only as provided in this section.

(b) A promotion must be set out in a utility's tariff as required in 3 AAC 52.370 and 3 AAC 52.375.

(c) A promotion that is a cash payment, credit to an account, gift, or combination of those items and that is not intended as a recurring benefit may be offered only once per customer per year and be of no greater value than \$100 per year per line. Substantially similar promotions are the same promotion for purposes of this subsection. This subsection does not apply to "contests" or "sweepstakes" in which the carrier has no control over who receives the benefit.

(d) A promotion that provides a recurring benefit, including a monthly discount to rates or waiver of recurring charges, may be in effect for a maximum of 12 months. That promotion or a substantially similar promotion may be renewed no sooner than three months after the end of its previously effective period. Substantially similar promotions are the same promotion for purposes of assessing the 12-month limit.

(e) The commission may disapprove and require modification of a promotion that

- (1) is not just, fair, and reasonable;
  - (2) grants an unreasonable preference or advantage to any customer; or
  - (3) subjects a customer to an unreasonable prejudice or disadvantage.
- (f) If a carrier settles a bona fide dispute with a customer, the settlement is not a promotion for purposes of this section. (Eff. 9/1/2002, Register 163)

Authority:	AS 42.05.141	AS 42.05.241	AS 42.05.431
	AS 42.05.151	AS 42.05.361	AS 42.05.711
	AS 42.05.221	AS 42.05.411	AS 42.05.990

### 3 AAC 52.377. Detariffing of prepaid calling card services.

(a) Except as provided in (c) of this section, an interexchange carrier that offers a prepaid calling card service is not required to include those services in its tariff if the prepaid service is available for sale to the general public.

(b) Except for cards provided at no charge to the final customer, prepaid calling cards may not be limited to a single customer or group of customers.

(c) Prepaid calling card services sold to inmates in a correctional facility are not eligible for detariffing under this section.

(d) Each rate, term, condition, and limitation of service must be clearly posted at the point of sale, and the following information must be

- (1) placed on the card:
  - (A) the name of the service provider;
  - (B) the access telephone number;
  - (C) the customer's personal identification number (PIN);
  - (D) a toll-free customer service telephone number;
- (2) placed on the card or card packaging:
  - (A) the expiration policy, if any;
  - (B) the recharge policy, if any;
  - (C) the policy for rounding of billing increments;
  - (D) either the total number of billing units or the rate per billing unit;
- (3) placed on the card packaging:
  - (A) the name of the service provider;
  - (B) a toll-free customer service telephone number; and
- (4) posted at the point of sale:
  - (A) the name of the service provider;
  - (B) a toll-free customer service telephone number;
  - (C) a list of each surcharge and surcharge amount, expressed in minutes or in billing units if the billing unit is not a minute;
  - (D) the expiration policy, if any;
  - (E) the recharge policy, if any;
  - (F) the policy for rounding of billing increments;

(G) the card's total number of billing units;

(H) the rate per billing unit;

(I) sufficient information for the customer to easily determine the maximum rate per minute.

(e) An interexchange carrier shall refund the purchase price or provide a replacement prepaid calling card to a customer if the card does not work as represented or the requirements of (d) of this section are not met. The commission may direct that a refund be provided to a customer for good cause.

(f) In this section,

(1) "prepaid calling card" means a card

(A) that enables a purchaser to make domestic or international long distance telephone calls by

(i) dialing the toll-free number on the carrier's connecting switch; and

(ii) using a personal identification number (PIN) placed on the card;

(B) for which the purchaser prepays a specific dollar amount;

(C) that provides minutes of long distance service, or units per minute, that

(i) are based upon the specific rates set by the carrier; and

(ii) as a call is made, are automatically deducted from the card balance of usable minutes or units, with the balance being recorded either on the card itself or on a central computer through which the calls are routed; and

(D) that may be rechargeable, allowing the purchaser to add more minutes, or units per minute, of calling time by

(i) dialing a toll-free telephone number or visiting an Internet web site; and

(ii) using a credit card;

(2) "long distance service" has the meaning given in AS 42.05.890. (Eff. 5/18/2003, Register 166)

Authority: AS 42.05.141  
AS 42.05.151

AS 42.05.711

AS 42.05.810

**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 42.05.151

AS 42.05.221  
AS 42.05.241

AS 42.05.431  
AS 42.05.990

**3 AAC 52.381. Interexchange carrier of last resort.** (a) The incumbent interexchange carrier is the carrier of last resort unless the commission by order changes the carrier's responsibilities in whole or in part in accordance with 3 AAC 52.381 — 3 AAC 52.385.

(b) Unless directed by commission order, an interexchange carrier of last resort shall:

(1) provide and maintain adequate, efficient, and safe essential interexchange service of reasonable quality throughout its carrier of last resort area at rates that comply with 3 AAC 52.370 and 3 AAC 52.372, either through its own facilities or other reasonable arrangement, until relieved of that duty by order of the commission; and

(2) notify the commission as soon as reasonably possible of the inability to provide essential interexchange service of reasonable quality in its carrier of last resort area.

(c) On or before March 31 of each year, an interexchange 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 essential 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.

(d) The commission may, for good cause and after notice and an opportunity for hearing, investigate an interexchange carrier of last resort's ability to meet its carrier of last resort obligations. (Eff. 8/1/2015, Register 215)

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

**3 AAC 52.382. Reassignment of interexchange carrier of last resort duties.** (a) The commission may, upon petition or its own motion and after notice and opportunity for hearing, reassign interexchange carrier of last resort obligations for a specified local exchange area to an alternative carrier based on a finding that the alternative carrier is able to fulfill carrier of last resort obligations currently and in the foreseeable future and that reassignment is consistent with the public interest.

(b) A petition to reassign interexchange carrier of last resort obligations to an alternative carrier must include

(1) a list of the local exchange areas that the petitioner seeks to reassign to an alternative carrier, including a map of the petitioner's facilities in each area;

(2) a written description of each facility that the petitioner uses to provide essential interexchange service, including information identifying the entity that owns or controls each facility;

(3) a written description of all state-regulated and other services provided over the identified facilities, including information identifying services provided by affiliates or, to the extent known, by third parties;

(4) the name of the carrier identified as an alternative interexchange carrier of last resort;

(5) a general written description of the capability of the alternative carrier to provide essential interexchange service to each local exchange area upon reassignment; and

(6) an explanation of how the relevant factors listed in (d) of this section support the petition, including a demonstration

(A) that the provision of essential interexchange service in the specified local exchange area will continue without interruption after the reassignment of carrier of last resort obligations; and

(B) how the relief requested is consistent with the public interest.

(c) An alternative carrier identified in a petition filed under (b) of this section shall, not later than 30 days after service of the petition, submit to the commission either

(1) a written description of

(A) each facility that the alternative carrier uses to provide essential interexchange service in the local exchange area identified in the petition, including information identifying the entity that owns or controls each facility and a map of the alternative carrier's facilities; and

(B) all state-regulated and other services provided over the identified facilities, including information identifying services provided by affiliates or, to the extent known, by third parties; or

(2) a dispositive motion filed under 3 AAC 48.091 detailing the reasons why the carrier should not be considered as a potential alternative interexchange carrier of last resort for the local exchange areas identified in the petition filed under (b) of this section.

(d) In determining the reassignment of carrier of last resort obligations the commission may consider the following factors for the current interexchange carrier of last resort and the alternative carrier:

(1) the experience and relevant technical expertise in the general interexchange market and in the identified local exchange area market;

(2) the financial strength and stability of each carrier;

(3) the intrastate interexchange facilities each carrier owns or controls in the identified local exchange area;

(4) the relative estimated remaining life of facilities owned or used to provide essential interexchange service;

(5) the method by which facilities that would be used to provide essential interexchange service were financed;

(6) each carrier's market presence, currently and over the past five years, both throughout the state and in the identified local exchange area;

(7) whether the facilities that would be used to provide essential interexchange service to the identified local exchange area will have sufficient capacity, currently and in the foreseeable future, to fulfill carrier of last resort obligations; and

(8) any other factor the commission determines relevant to reassigning carrier of last resort obligations. (Eff. 8/1/2015, Register 215)

Authority: AS 42.05.141  
AS 42.05.145

AS 42.05.151  
AS 42.05.291

AS 42.05.800

**3 AAC 52.383. Elimination of interexchange carrier of last resort duties.** (a) The commission may, upon petition or its own motion and after notice and opportunity for hearing, terminate carrier

of last resort obligations without reassignment for a local exchange area based on a finding that

(1) more than one interexchange carrier, including the carrier of last resort, owns or controls all facilities necessary to provide essential interexchange service to the local exchange area for which interexchange carrier of last resort obligations are to be terminated without reassignment; and

(2) the termination of interexchange carrier of last resort obligations is consistent with the public interest.

(b) A petition to terminate interexchange carrier of last resort obligations without reassignment must include

(1) a list of the local exchange areas where the petitioner seeks to terminate its carrier of last resort obligations, including a map of the petitioner's facilities in each area;

(2) a written description of each facility that the petitioner uses to provide essential interexchange service in each local exchange area identified in the petition, including information regarding which facilities the carrier owns or controls;

(3) the name of each interexchange carrier currently providing essential interexchange service in each local exchange area identified in the petition; and

(4) a demonstration that

(A) more than one interexchange carrier, including the carrier of last resort, owns or controls all facilities necessary to provide essential interexchange service in each local exchange area identified in the petition and that market conditions conducive to competitive facilities-based intrastate interexchange service in each local exchange area will continue in the foreseeable future; and

(B) the requested relief is consistent with the public interest.

(c) An interexchange carrier that owns or controls facilities in a local exchange area where carrier of last resort obligations have been terminated shall notify the commission, in writing, 60 days in advance of its plan to exit the market for facilities-based essential interexchange service.

(d) The commission may designate an interexchange carrier of last resort for a local exchange area over which carrier of last resort obligations have been terminated, after considering the factors provided in 3 AAC 52.382(d) and finding that the designation is consistent with the public interest. (Eff. 8/1/2015, Register 215)

Authority: AS 42.05.141  
AS 42.05.145

AS 42.05.151  
AS 42.05.291

AS 42.05.800

**3 AAC 52.384. Emergency interexchange carrier of last resort.** (a) If an interexchange carrier of last resort is unable to perform the duties for all or a portion of its carrier of last resort area, the

commission may require an alternative interexchange carrier to act as the emergency interexchange carrier of last resort.

(b) Designation as an emergency carrier of last resort under (a) of this section may not exceed a period of 12 months, unless extended by the commission, after notice, for good cause. (Eff. 8/1/2015, Register 215)

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

**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 52.381 — 3 AAC 52.384 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; am 8/1/2015, Register 215)

**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) Repealed 8/1/2015.

(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 in all locations where the carrier offers intrastate interexchange service on a 1-plus direct-dialed 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) Repealed 8/1/2015.

(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; am 10/6/2013, Register 208; am 8/1/2015, Register 215)

Authority: AS 42.05.141  
AS 42.05.145

AS 42.05.151  
AS 42.05.291

AS 42.05.800

**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 interexchange carrier"

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

- (B) 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;
- (19) "carrier of last resort area" means one or more local exchange areas in which an interexchange carrier of last resort must provide essential interexchange service;
- (20) "essential interexchange service" means retail voice intrastate interexchange telecommunication service;
- (21) "local exchange area" has the meaning given to "exchange" or "local exchange" in 3 AAC 48.820. (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; am 8/1/2015, Register 215)

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

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#### Section

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**3 AAC 52.400. Application, purpose, and waiver.** (a) The provisions of 3 AAC 52.400 — 3 AAC 52.500 apply to all electric utilities subject to the regulatory jurisdiction of the commission and govern the furnishing of electric service and facilities to the public.

(b) The purpose of 3 AAC 52.400 — 3 AAC 52.500 is to establish certain minimum statewide standards which ensure that electric utilities will render safe, reliable, and prompt service to the public. Each electric utility must follow these standards and implement them with diligence and good faith to maintain the proper balance between economic effectiveness and the provision of safe, adequate service to the public.

(c) The standards of service, safety, and performance established in 3 AAC 52.400 — 3 AAC 52.500 are minimum levels of mandatory performance and service. A utility's failure to conform to these standards is a sufficient basis for issuance of a show cause order by the commission as to why civil penalties should not be invoked under AS 42.05.571.

(d) For good cause shown, the commission will, in its discretion, waive all or any portion of the standards in 3 AAC 52.400 — 3 AAC 52.500 applicable to an individual electric utility, or establish interim standards for that utility.

(e) As provided for under 3 AAC 48.320, 3 AAC 48.370, and 3 AAC 48.380, each utility's tariff must be amended, as appropriate, to include, and conform the provisions of the tariff to, standards set out in 3 AAC 52.400 — 3 AAC 52.500. (Eff. 1/1/87, Register 100)

Authority: AS 42.05.141 AS 42.05.291 AS 42.05.711  
 AS 42.05.151 AS 42.05.571

**3 AAC 52.405. Business office standards.** (a) A utility shall locate and staff business offices so that customers and other members of the public have reasonably convenient access to qualified personnel, including supervisors, if necessary, who are able to provide service and rate information, accept payments, process applications for service, explain charges in customers' bills, and adjust billings.

(b) A utility shall include in its tariff, and notify its customers and the public of, all reasonably available means of contacting its business office or service centers. The utility shall maintain business office hours on a regular schedule to include at least part of each weekday, except holidays, during the time period from 8:00 a.m. to 5:00 p.m. If a local utility representative is unavailable or unable to correct a service deficiency, the utility shall provide collect calling to a designated business office for customers who need to report an emergency situation or service deficiency.

(c) A utility shall list in its tariff a number that will enable a customer at any time to telephone the utility to notify it of an emergency condition.

(d) A utility shall maintain accurate records of service applications, the billing history for each customer, and service complaints. The utility shall respond to the substance of each service complaint and other customer correspondence within 10 working days after its receipt. In its response the utility shall state that a customer not satisfied with the response may file a complaint with the commission under 3 AAC 48.120 and 3 AAC 48.130. The utility shall retain these records for at least two years. (Eff. 1/1/87, Register 100; am 1/1/2016, Register 217)

Authority: AS 42.05.141 AS 42.05.291 AS 42.05.361  
 AS 42.05.151

**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

**3 AAC 52.415. Establishment of temporary service.** (a) Before it establishes service, a utility may require an applicant for temporary service to pay the estimated cost of installing and removing the facilities necessary to furnish the desired service.

(b) If the duration of temporary service is to be less than one month, a utility may also require an applicant to advance a sum of money equal to the estimated bill for service. If the duration of temporary service is to exceed one month, the applicant may also be required to meet the deposit requirements set out in the utility's effective tariff.

(c) If, during the term of the temporary service agreement, the character of a temporary customer's operations changes or it appears that the duration of the service may be substantially longer than stated in the application, the utility shall classify the customer as permanent and may immediately apply the deposit and line extension rules in its effective tariff.

(d) No utility may allow a temporary service connection to continue longer than 12 months unless, for good cause shown, the utility has approved an extension of time for temporary service or unless application for permanent service has been made by the customer. (Eff. 1/1/87, Register 100)

Authority: AS 42.05.141                      AS 42.05.291                      AS 42.05.361  
                  AS 42.05.151

**3 AAC 52.420. Deposit requirements.** (a) A utility's electric service deposit payment and refund procedures, if any, must be set out in its effective tariff and must conform to the provisions of this section.

(b) A utility may require a separate deposit for each meter installed. The amount of a deposit required by the utility may not exceed the higher of two times the estimated average monthly bill at that location or two times the average monthly bill of that customer class.

(c) A utility shall refund a deposit for residential electric service within 90 days if the applicant is able to meet either of the following requirements:

(1) the applicant has previously established a good payment record with the utility by, for example, receiving service from the utility at another location within the past two years without delinquency in payment during the last 12 consecutive months of service; or

(2) the applicant provides a letter or other written verification from the electric utility that last provided comparable service to the applicant, stating that the applicant was not delinquent in payment for the last 12 consecutive months of service at the prior location.

(d) A utility shall issue to an applicant a written receipt for the amount of the deposit and a description of the utility's terms and conditions in its effective tariff for the refund of deposits. The utility may not require a customer to produce a deposit receipt in order to receive a refund of the deposit that is reflected on the utility's records.

(e) A utility's deposit policy must require refund of deposits and accrued interest within 30 days after the earlier of

(1) 12 months' continuous service, if the customer has not been past due in the payment of utility bills more than twice, has not been delinquent in the last six months, and is not past due at review; or

(2) termination of service, to the extent the amount held exceeds any balance due the utility for electric service and late fee for that account, including accrued finance charges.

(f) A utility may institute or adjust a deposit for an established customer consistent with 3 AAC 52.420(b) if the customer becomes delinquent in payment.

(g) A utility shall provide deferred payment deposit arrangements in cases of residential customer economic hardship. (Eff. 1/1/87, Register 100)

Authority: AS 42.05.141  
AS 42.05.151

AS 42.05.291  
AS 42.05.301

AS 42.05.361

**3 AAC 52.425. Meter readings.** (a) A utility shall separately bill for each meter at a customer's premises. The readings of two or more meters may not be combined unless otherwise provided for in a utility's effective tariff.

(b) If, for a reason described in 3 AAC 52.435(b)(2) or (b)(3), a utility

is unable to read a meter during the scheduled meter reading cycle, the utility shall estimate the consumption for the billing period considering, where applicable, the customer's usage during the same month of the previous year or the amount of usage during the preceding month or months.

(c) After the second consecutive month of estimating a customer's bill, a utility must obtain an accurate reading of the meter unless the meter is inaccessible due to severe weather or other dangerous conditions.

(d) A utility may allow for customer reading of meters, subject to the following criteria:

(1) the utility shall inform the customer how to properly read the meter;

(2) the utility shall require that the customer read the meter on as close to the same day each month as practical;

(3) the utility shall specify the timing requirements for the customer to submit the monthly meter reading to conform with the utility's billing cycle;

(4) the utility shall verify the customer's reading of the meter at least once every six months; and

(5) if the customer fails to submit the meter reading on time, the utility may issue the customer an estimated bill, subject to the provisions of (c) of this section. (Eff. 1/1/87, Register 100)

Authority: AS 42.05.141

AS 42.05.151

AS 42.05.291

**3 AAC 52.430. General billing and collection requirements.**

(a) A utility shall bill monthly for services rendered. Charges for service may commence when the service is installed and energized.

(b) Each bill for service must contain the following minimum information:

(1) customer's name;

(2) customer's service account number;

(3) rate schedule designation, if applicable;

(4) utility telephone number;

(5) meter reading at the start of the billing period;

(6) date and meter reading at the end of the billing period and number of days in the billing period;

(7) billing date;

(8) amount due and date after which payment is past due;

(9) past due amount, if applicable;

(10) delinquent amount, if applicable;

(11) late charge and finance charge, if applicable;

(12) customer charge, if applicable;

(13) total kilowatt-hour consumption;

(14) monthly kilowatt maximum demand and associated demand charge, if applicable;

(15) fuel or energy surcharge rate and associated total charge, if applicable;

(16) power cost equalization amount and statutory notice statement, if applicable;

(17) levelized billing amount due and accumulated variation in actual versus levelized billing amount, if applicable; and

(18) any other adjustment factor, applicable.

(c) A bill for utility service is due and payable on the date rendered, as designated under (g) of this section, but may not be considered past due or subject to a late charge or finance charge if paid within 25 days after the date rendered.

(d) All amounts due for service from one billing cycle which are not received by the utility as of the close of the subsequent billing cycle must be separately identified as past due on the subsequent monthly bill. Any late charge and finance charge must also be separately identified.

(e) All past due amounts and associated late and finance charges from one billing cycle which are not received by the utility as of the close of the following billing cycle must be separately identified on the next monthly bill and defined for billing purposes as "delinquent." A customer account with any unpaid delinquent charges is subject to disconnection under 3 AAC 52.450.

(f) A utility's tariff may provide for a finance charge for any payment that is past due or delinquent. The tariffed interest rate may not exceed the rate set by AS 45.45.010(a). A single late charge may be imposed when the account first becomes past due.

(g) A utility's tariff may designate either the postmark date or the billing date shown on the bill as the day the bill is rendered. However, the billing date may not differ from the postmark date by more than three working days.

(h) All payments by a customer must be made at, or mailed to, the office of the utility or to the utility's authorized representative.

(i) A customer's failure to receive a bill or notice that has been properly addressed and placed in the United States mail does not prevent the bill from becoming past due or delinquent, or excuse the customer's responsibility for payment.

(j) A customer who tenders a nonsufficient funds check is not relieved of the obligation to pay the utility under the original terms of the bill nor is that customer entitled to defer the utility's right to disconnect service for nonpayment of bills.

(k) A utility shall accommodate a customer's request to pay for utility services in advance.

(l) If a single application for service is made by two or more individuals together, a utility may collect the full amount owed from any one of the applicants. A utility shall notify customers of this provision at the time of application for service.

(m) If a customer, either in person or in writing, requests that service be disconnected, the utility may hold that customer responsible

for all services up to the later of the date the disconnection is to be made or three working days after the customer places the request.

(n) Except as provided for in 3 AAC 52.465, a utility may render a "make-up" bill, without finance charge, for service that has not been billed as a result of utility billing error or more than two consecutive estimated bills. Make-up bills are subject to the following restrictions:

(1) the initial make-up bill must be issued within six months after provision of the previously unbilled service; and

(2) the period for payment of the make-up bill may, at the option of the customer,

(A) extend at least as long as the period during which the excess amount accrued; or

(B) extend as long as necessary so that the quantity of service billed in any one billing period is not greater than 150 percent of the normal estimated quantity for that period. (Eff. 1/1/87, Register 100)

Authority: AS 42.05.141

AS 42.05.151

AS 42.05.291

**3 AAC 52.435. Estimated billings.** (a) On each bill based on estimated usage, a utility shall indicate that it is an estimated bill.

(b) A utility may issue an estimated bill only if

(1) a customer who reads his or her own meter has failed to transmit the meter reading to the utility in accordance with the requirements of the utility's billing cycle;

(2) severe weather conditions prevent the utility from reading the meter; or

(3) circumstances make it dangerous or not reasonably feasible to read the meter. (Eff. 1/1/87, Register 100)

Authority: AS 42.05.141

AS 42.05.151

AS 42.05.291

**3 AAC 52.440. Levelized billing.** (a) A utility shall offer a levelized billing option to its residential electric heating customers and may offer the option to all customers. The utility's levelized billing option as described in its tariff must be periodically noticed to its customers. Upon customer request, a utility shall develop an estimate of the customer's levelized billing for a 12-month period, based upon the customer's actual consumption history for the most recent 12 months or other representative period. The utility may offer a levelized billing plan to customers with less than 12 months' consumption history.

(b) A utility shall inform customers applying for levelized billing as to how the levelized billing estimate was developed; how levelized billing will impact a customer's monthly utility bill; and that the utility may adjust the customer's monthly levelized bill under (c) of this section.

(c) A utility shall adjust a customer's levelized billing annually, or

more frequently if the utility's estimate of the customer's usage or cost varies significantly from the customer's actual usage or cost. The utility or the customer may initiate the adjustment for causes including weather and rate changes.

(d) In the case of an overcollection determined at the time of the annual adjustment required by (c) of this section, a termination of service, or a termination of the levelized billing plan, a utility shall immediately refund or credit the excess payment to the customer account, as appropriate.

(e) A utility may not refuse enrollment in levelized billing to a customer whose current bill at the time of enrollment is past due or delinquent if the customer enters into a deferred payment agreement, as described in 3 AAC 52.445. (Eff. 1/1/87, Register 100)

Authority: AS 42.05.141

AS 42.05.151

AS 42.05.291

**3 AAC 52.445. Deferred payment agreements.** (a) For a residential customer who demonstrates that economic hardship prevents payment in full of a delinquent bill, a utility may not refuse to restore or continue service unless the customer refuses to agree to or comply with a deferred payment plan meeting the requirements of this section.

(b) A deferred payment agreement between a utility and a residential customer must provide that service will continue if the customer meets all of the following conditions:

(1) the customer agrees to pay one-third, or less at the option of the utility, of the outstanding bill at the time the parties enter into the deferred payment agreement;

(2) the customer agrees to pay all future bills for utility service in accordance with the effective billing and collection tariffs of the utility; and

(3) the customer agrees to pay the remaining outstanding balance in installments over a period not to exceed 12 months.

(c) The duration of a deferred payment agreement must be at least three months unless the customer agrees to a shorter period.

(d) A utility may include provisions for deferred payment agreements with non-residential customers in its tariff, or may negotiate them by special contract.

(e) In determining a reasonable deferred payment schedule, a utility and customer shall consider the following conditions, a list of which must be presented to the customer:

(1) size of the delinquent account;

(2) customer's ability to pay;

(3) customer's payment history;

(4) length of time the debt has been outstanding;

(5) circumstances that resulted in the outstanding debt; and

(6) any other relevant factors related to the circumstances of the customer.

(f) A deferred payment agreement must be in writing and must be signed by the customer and an authorized utility representative. A deferred payment agreement may include a finance charge as specified in the utility's effective tariff, but the charge may not exceed that allowed by AS 45.45.010(a).

(g) A utility shall offer comparable terms and conditions to customers with similar payment problems.

(h) If a customer fails to fulfill the terms of a deferred payment agreement, the utility may disconnect service under 3 AAC 52.450(d). The utility may offer a subsequent deferred payment agreement before disconnecting the customer's service. (Eff. 1/1/87, Register 100)

Authority: AS 42.05.141

AS 42.05.151

AS 42.05.291

**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

(I) 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.

**3 AAC 52.455. Line extensions and service connections.** (a) A utility's tariff for line extensions and service connections, or, if appropriate, special contracts under 3 AAC 48.390, must include the following:

(1) the amount of the costs, maximum footage, or equipment allowance for a line extension and a service connection, to be provided by the utility at no charge; the utility may specify different allowances for different customer classes;

(2) a requirement, subject to the provisions of (3) and (4) of this subsection and to (c) and (d) of this section, that a customer requesting a line extension or service connection must pay all costs which exceed the amount for which the utility is responsible under (a)(1) of this section;

(3) a statement that the customer is not responsible for the cost of system upgrade that is incidentally the result of the customer's addition to the system, if the customer has a load requirement comparable to those in the area being served by the facilities requiring upgrade;

(4) if required by the utility, an explanation that, in a service area where overhead installation is the standard, a customer requesting an underground line extension or service connection shall pay the difference between the cost for an overhead line extension or service connection and the actual cost of the underground installation in addition to the amount computed under (2) of this subsection;

(5) a statement that within a specified period, but in any event at least annually, any previously paid advances for construction of a

completed line extension will be recomputed to reflect new customer additions; the utility shall require each new customer to pay, as an advance for construction, a prorated share of the original line extension cost; the utility shall refund or credit, as appropriate, any subsequent advances for construction to those customers who previously advanced money for connection to the completed line extension;

(6) a description of the period during which refunds of, or credits for, advances for construction will be paid;

(7) a description of the methodology the utility used to calculate the refund of, or credit for, an advance for construction required by (5) of this subsection; a customer who has advanced money for construction may request an annual report of customers added to the line extension;

(8) a statement that in no case may the amount of a refund or credit under (5) of this subsection exceed the amount originally advanced;

(9) a statement as to whether advances for construction will be interest bearing; and

(10) a statement that

(A) if a customer's authorized representative performs work adjacent to or within an easement or right-of-way, and it poses a hazard, is in violation of law, or significantly interferes with the utility's access to equipment, the utility shall notify the customer or the customer's authorized representative; and

(B) the customer does not promptly correct the situation, the utility may take the necessary actions to eliminate the hazard, obstruction, or violation at the customer's expense.

(b) A line extension and service connection agreement requiring payment by a customer must be in writing; must include the utility's estimate of the customer's share of the costs, the terms and conditions of payment, and the estimated date of completion of the work; and must be signed by the utility and by the customer or the customer's authorized representative.

(c) If the actual costs of construction of a line extension or service connection exceed the written estimate provided by the utility, no charges in excess of the written estimate plus 10 percent may be collected by the utility from the customer unless the additional charges are the result of additional construction work requested or caused by the customer subsequent to the initial written estimate. Other than additional costs necessitated by the customer, actual costs in excess of 110 percent of the initial written estimate must be borne by the utility as a cost of doing business. If the actual costs of construction for the customer's share are less than the written estimate, the customer will be charged the lesser amount, and, if the costs are prepaid, the difference between the actual cost of the construction and the advance payment made by the customer must be refunded to the customer.

(d) Instead of estimating line extension and service connection costs, a utility may elect to amend its tariff to provide a charge for line extensions and service connections based upon historical, average unit installation costs. A utility shall apply to the commission for periodic adjustments to its tariffed unit installation charge. Unless otherwise ordered by the commission, an application for a periodic adjustment is not subject to the provisions of 3 AAC 48.275(a).

(e) No utility may prohibit customers from constructing their own line extensions or service connections. A utility shall connect and maintain customer-constructed facilities under the same terms and conditions as utility-installed line extensions or service connections, except that the utility has the right to

(1) conduct reasonable inspections, charge inspection fees, assure that customer-constructed line extensions and service connections fully conform to the state minimum electrical standards adopted in AS 18.60.580; and

(2) require reasonable additional design, construction, and easement criteria established by the utility for customer-constructed facilities; any additional criteria must be set out in the utility's tariff and must be substantially equivalent to the utility's design standards for utility-installed line extensions and service connections; all criteria for customer-constructed line extensions and service connections must be published so as to be available upon request.

(f) A utility is responsible for energizing all customer-constructed line extensions or service connections after inspection and acceptance. The final inspection must be performed by the utility within five working days after receipt of notice of project completion from the customer. The energizing must be completed within five working days after inspection and acceptance by the utility or after a customer request for energizing, whichever is later.

(g) To assist those customers who construct their own line extensions or service connections, a utility shall aid in obtaining easements where none exist, and shall permit use of existing easements unless prohibited by law.

(h) To assure that all distribution plant of a utility is safely and adequately maintained on an equal basis, customer-installed plant must, upon acceptance by the utility, be given to the utility as a contribution-in-aid of construction.

(i) In those unusual circumstances where a utility believes that application of its line extension or service connection tariff will result in an inequitable apportionment of costs to one or more customers, the utility may request a waiver of its standard tariff provision and, upon proper application and advance approval of the commission, enter into a special contract with that customer under 3 AAC 48.390. (Eff. 1/1/87, Register 100)

Authority: AS 42.05.141  
AS 42.05.151

AS 42.05.291

AS 42.05.311

**Editor's note:** The 1984 revisions to AS 18.60.580 (sec. 1, ch. 34, SLA 1984) adopted the 1984 published edition of the National Electrical Code and the 1984 edition of the National Electrical Safety Code as the minimum electrical safety standards for the state, mentioned in 3 AAC 52.455(e)(1). Copies of these publications may be obtained from the Institute of Electrical and Electronics Engineers, 345 47th Street, New York, New York 10017.

**3 AAC 52.460. Quality of service.** (a) A utility shall, except in the case of conditions caused by the utility's customers, maintain a steady-state standard frequency of 60 Hertz within the following tolerances:

(1) wherever 2,000 or more customers of one or more utilities are served by an isolated or interconnected transmission or distribution system, frequency must be held within plus or minus two percent of standard frequency; cumulative error registered by an electric clock over a 24-hour period may not exceed 90 seconds; and

(2) for other service areas, frequency must be held within plus or minus two cycles of standard frequency.

(b) A utility shall provide various standard voltages as stated in its tariff, and shall comply with the voltage standard set out in section C84.1-1982 of the American National Standards Institute.

(c) At intervals not to exceed one year a utility shall calculate customer primary voltage to determine the voltage profile of its primary distribution feeders over a 12-hour period during the season of peak demand and including the hours of maximum load. Records supporting the voltage profiles must include the location and parameters of any test and must be available for inspection by the commission for a period of two years after the date of the test.

(d) A utility shall establish planning and preventive maintenance procedures designed to provide a reasonable level of uninterrupted service and, if interruptions occur, to speed the restoration of service.

(e) If planned outages are necessary, a utility shall make a good faith effort to do the work at a time that will cause minimal inconvenience to customers, and to notify customers in advance of the interruption, in conformity with the utility's plan required by 3 AAC 52.490(a)(2).

(f) A utility shall develop and maintain an outage contingency plan, including a public information plan, which is appropriate to the utility's location and size.

(g) A utility shall maintain detailed records of planned and unplanned outages and of interruptions of service. These records must include the cause, whether planned or unplanned, duration, location of the outage, and the approximate number of customers affected. These records must be available to the public. For purposes of this subsection, a momentary fluctuation does not constitute an interruption of service. (Eff. 1/1/87, Register 100)

Authority: AS 42.05.141 AS 42.05.291 AS 42.05.691  
 AS 42.05.151

Editor's note: Copies of section C84.1-1982 of the American National Standards Institute, mentioned in 3 AAC 52.460(b), may be obtained at the offices of the Regulatory Commission of Alaska as specified in 3 AAC 48.010(a).

**3 AAC 52.462. Demand charge billings.** A utility may not calculate demand charge billings for any self-generating customer based upon that customer's demand as measured during forced outages of customer generation facilities required to resynchronize and return the customer's self-generation output to parallel operation with the utility during the one-hour period after power to the self-generating customer is restored following a utility system outage that originates on the utility's side of its metering to the customer affecting service to the self-generating customer. (Eff. 11/9/2014, Register 212)

Authority: AS 42.05.141 AS 42.05.381 AS 42.05.391

**3 AAC 52.465. Meter measurements, adjustments, and testing.** (a) A utility shall sell all of its electricity on the basis of meter measurements, unless otherwise provided for in the utility's tariff or by special contract.

(b) Only meters that are known to be mechanically or electrically sound, calibrated correctly, and tested and adjusted, if necessary, in accordance with meter test standards as outlined in (c) of this section and in 3 AAC 52.475 may be installed by a utility.

(c) Repealed 4/24/2004.

(d) If a meter in service is tested and found to have over-registered the amount of power delivered by more than two percent, a utility shall recalculate the bills for service from the known date of error, and shall make a refund or credit for the entire over-registered amount if it exceeds \$5. If the beginning date of error is unknown, the utility shall refund or credit the most recent customer of record for the billed error for the period since the meter was last tested, not to exceed six months, or the period during which the most recent customer of record received service through the meter, whichever period is less.

(e) If the meter of a residential or small commercial customer is tested and found to have under-registered the amount of energy or power delivered, a utility may not charge the customer for any underbillings unless there is evidence of meter or electric service tampering by the customer. If the meter of a wholesale, large power, or large commercial customer is tested and found to have under-registered the amount of energy or power delivered, a utility may charge the customer for underbillings for usage for no more than the four previous months unless there is evidence of meter or electric service tampering by the customer.

(f) A utility shall test a meter upon request of a customer, and may charge the customer for the meter test according to its effective tariff.

However, the utility may not charge the customer for the meter test if the meter is found to over- or under-register by more than two percent and there is no evidence of meter or electric service tampering by the customer.

(g) Meters and associated service switches must be installed in a location where the meters will be readily and safely accessible for reading, testing, and inspection, and where such activities will cause the least interference and inconvenience to the customer. The customer shall provide sufficient and proper space for installation of meters, at a suitable and easily accessible location without cost to the utility.

(h) If where the meter or service line location on the customer's premises is changed at the request of the customer or is changed as a result of alterations to the customer's premises, the customer shall provide and have installed at his or her expense all wiring and equipment necessary for relocating the meter and service line connection, and the utility may charge for moving the meter and service line. (Eff. 1/1/87, Register 100; am 9/15/88, Register 107; am 4/24/2004, Register 170)

<b>Authority:</b> AS 42.05.141	AS 42.05.291	AS 42.05.341
AS 42.05.151	AS 42.05.331	AS 42.05.351

**3 AAC 52.470. Engineering standards; energy purchase contracts.** (a) A utility shall construct, maintain, and operate its plant in accordance with accepted engineering practices to reasonably assure service reliability, service quality, and the safety of persons and property.

(b) A utility shall design, construct, and maintain generation, transmission, and distribution facilities in conformance with the state minimum electrical safety standards as adopted in AS 18.60.580.

(c) A utility shall normally maintain generating capacity supplemented by the electric power regularly available from other sources, sufficient to meet all reasonable demands for service and provide a reasonable reserve for emergencies. In addition to any other standards imposed by the commission, noninterconnected utilities shall maintain, at a minimum, adequate reserve capacity to cover the loss of the utility's largest generating unit. Generating capacity assigned to interruptible customers may be considered for reserve capacity determination.

(d) Before entering into a contract with a regulated utility for the purchase of energy, including electrical energy or capacity, natural or manufactured gas, diesel oil or gasoline, or any other fuel source, for a term exceeding 12 months, a utility shall request commission approval in accordance with 3 AAC 48.200 — 3 AAC 48.390 and provide the following information:

- (1) a copy of the proposed contract;
- (2) the load forecasting data that justifies the need for the contract; and

(3) documentation that the proposed contract is the most feasible means available to the utility for meeting the forecasted load.

(e) Upon entering into a contract with a nonregulated vendor, other than a contract with a qualifying facility as defined in 3 AAC 50.820(11), for the purchase of energy, including electrical energy or capacity, natural or manufactured gas, diesel oil or gasoline, or any other fuel source, for a term exceeding 12 months, a utility shall file with the commission the following information:

(1) a copy of the contract;

(2) the load forecasting data which justifies the need for the contract; and

(3) documentation that the contract is the most feasible means available for meeting the forecasted load. (Eff. 1/1/87, Register 100; am 1/11/2004, Register 169)

**Authority:** AS 42.05.141 AS 42.05.291 AS 42.05.691  
AS 42.05.151

**3 AAC 52.475. Maintenance and testing standards.** (a) A utility shall adopt and pursue a maintenance program of periodic tests, inspections, and field maintenance to achieve efficient operation of its system so as to permit safe, adequate, and reliable service at all times. Each utility shall maintain reasonable records indicating compliance with this subsection.

(b) A utility with generating facilities shall maintain for each generating station a station log that must include the following information:

(1) the daily hours of operation of each machine;

(2) a record of any period during which a generating unit is unavailable for service and the reason why; and

(3) the dates when repair or maintenance work for a machine was performed and an explanation of the nature of the work.

(c) A utility shall maintain or have access to the necessary facilities, instruments, and equipment for testing its metering and recording equipment and shall adopt prudent utility practices for periodic testing and maintenance, with due regard to equipment manufacturers' recommendations and applicable safety codes, to ensure the integrity of its operation. (Eff. 1/1/87, Register 100)

**Authority:** AS 42.05.141 AS 42.05.291 AS 42.05.341  
AS 42.05.151 AS 42.05.331

**3 AAC 52.480. Safety standards for utility plant.** (a) A utility shall exercise reasonable care to promote safe working conditions and reduce hazards to its employees, its customers, and the general public.

(b) A utility shall use the applicable provisions of the state minimum electrical safety standards adopted in AS 18.60.580 as a basis for determining safe practices.

(c) A utility shall maintain a record of all accidents involving the utility or utility plant and resulting in injuries to the public. (Eff. 1/1/87, Register 100)

Authority: AS 42.05.141

AS 42.05.151

AS 42.05.291

**3 AAC 52.485. Safety standards for interconnecting to qualified cogenerators and small power producers.** (a) No utility may interconnect with a qualifying facility that fails to conform to the edition of the National Electrical Code adopted in AS 18.60.580.

(b) No utility may interconnect with a qualifying facility that does not provide a means of disconnecting with provision for padlocking in the open position by the utility. This device, or a supplementary device, must be capable of switching under full load conditions and must be clearly labeled and accessible to utility personnel.

(c) No utility may interconnect with a qualifying facility that does not provide overcurrent protection of adequate interrupting capacity and design, in conformance with the utility's overcurrent practices for similar feeders and loads, for the feeder serving as the intertie to the utility system. Automatic reclosing by the qualifying facility is prohibited unless the facility has received prior approval from the utility as not posing a threat to life or property.

(d) A utility shall provide overcurrent protection in accordance with the utility's overcurrent practices for similar feeders and loads for the feeder extension serving as the intertie to a qualifying facility. (Eff. 1/1/87, Register 100)

Authority: AS 42.05.141

AS 42.05.151

AS 42.05.291

**3 AAC 52.490. Other general information to be furnished to the commission.** (a) A utility shall maintain with the commission

(1) the location and telephone number of each of its business offices, an emergency telephone number contact, and the normal hours of operation of each office; and

(2) a plan for notifying customers of a scheduled outage that is appropriate to the utility's available personnel levels and geographic location, and that includes media notification, if applicable.

(b) A utility shall submit information to the commission regarding service outages as follows:

(1) for an outage that is an immediate threat to the health or safety of customers within the utility's service territory, the commission must be notified immediately by the most expedient means available;

(2) for an interruption of service, from whatever cause, which affects five percent or more of a utility's total customers or affects a discrete community of customers, and persists for three hours or more, the written report must include a description of the cause and

extent of the outage, and must be filed within five working days after service is restored; and

(3) a cumulative 12-month report of its service outages must be filed as a part of the utility's annual report to the commission under AS 42.05.451. (Eff. 1/1/87, Register 100)

Authority: AS 42.05.141 AS 42.05.291 AS 42.05.501  
AS 42.05.151

**3 AAC 52.500. Definitions.** Unless the context indicates otherwise, in 3 AAC 52.400 — 3 AAC 52.500

(1) "advance for construction" means money provided to a utility by a customer for a line extension or service connection, the value of which may be refundable by the utility;

(2) "applicant" means a person requesting the utility to supply electric service;

(3) "application" means a request to the utility for electric service, but not a mere inquiry as to the availability or charges for the service;

(4) "billing cycle" means the time interval between two consecutive bills for electric service as prescribed in a utility's tariff;

(5) "cogeneration" means the production of electric energy and forms of useful thermal energy (such as heat or steam), employed for industrial, commercial, heating, or cooling purposes, through the sequential use of energy;

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

(7) "contribution-in-aid of construction" means money or facilities provided to a utility by a customer for a line extension or service connection, the value of which is not refundable by the utility;

(8) "customer" means a person, firm, partnership, association, corporation, municipality, cooperative organization or governmental agency supplied with electric service by a utility;

(9) "customer charge" means the amount a customer must pay a utility for the availability of electric service, excluding any electricity used, as provided for under 3 AAC 48.540(f) and as specified in the utility's effective tariff;

(10) "delinquent" means, for billing purposes, all past due amounts and associated finance and late charges that are not received by the utility within 40 days after the date the bill that is past due was rendered;

(11) "distribution lines" means the utility lines operated at distribution voltage which are constructed along public roadways or other bona fide rights-of-way, including easements on a customer's property;

(12) "effective tariff" means every rate schedule, or provision of one, and all terms, conditions, and regulations for furnishing electric service that have been filed, noticed, and placed in effect in full compliance with all procedural requirements established by law and commission regulations;

(13) "finance charge" means the tariffed percentage interest rate or charge, not to exceed that allowable under AS 45.45.010(a), levied by a utility on an account for which payment is past due or delinquent;

(14) "kilowatt" means a unit of power equal to 1,000 watts;

(15) "kilowatt-hour" means electric energy equivalent to the amount of electric energy delivered in one hour at a constant rate of one kilowatt;

(16) "late charge" means the tariffed penalty amount levied as a one-time charge to an account when the account first becomes past due;

(17) "line extension" means any additional lines and equipment capable of serving more than one customer and necessary to extend the electric distribution system of a utility to new customers;

(18) "meter" means a device that measures and registers electrical quantities;

(19) "meter tampering" means illegally altering a meter by methods such as bypassing a meter, using magnets to slow the meter recording, or breaking meter seals;

(20) "outage" means an interruption of electric service which requires utility intervention for resumption of service when service cannot be resumed by the automatic recycling of utility equipment;

(21) "past due" means, with respect to a customer's account for electric service, an amount billed for which payment was not received by the utility within 25 days after the date the bill was rendered;

(22) "premises" means a piece of land or real estate, including buildings and other improvements;

(23) "qualifying facility" means a cogeneration facility or a small power production facility as defined in 3 AAC 50.820(11);

(24) "rendered" means the date a bill is postmarked or the billing date shown on the bill, but the billing date cannot differ from the postmark or mailing date by more than three working days;

(25) "residential use" means use of electricity for domestic purposes such as space heating, air conditioning, water heating, cooking, and clothes drying, and includes service in apartment buildings, mobile home parks, and other multi-unit residential buildings;

(26) "service complaint" is a claim or dispute regarding a customer's electric service;

(27) "service connection" means the line extending from a distribution line or transformer to a customer's premises or point of delivery where the line, as constructed, is only capable of serving that customer's premises;

(28) "steady-state standard frequency" means the frequency measured over time, ignoring momentary fluctuations due to the addition or subtraction of large loads to the system;

(29) "temporary service" means service to premises or enterprises that are temporary in character, or where it is known in advance that the service will be of limited duration;

(30) "utility" means an electric utility subject to the jurisdiction of the commission; and

(31) "utility plant" means all real estate, fixtures, and property that is owned, controlled, operated, or managed in connection with or to facilitate the production, generation, transmission, and delivery of electricity for light, heat, or power.

(32) "self-generating customer" means a retail electric customer capable of generating some or all of its power requirements using electric generation equipment interconnected with the electric utility's plant in a manner that allows parallel operation. (Eff. 1/1/87, Register 100; am 4/10/92, Register 122; am 4/24/2004, Register 170; am 11/9/2014, Register 212)

Authority:	AS 42.05.141	AS 42.05.331	AS 42.05.361
	AS 42.05.151	AS 42.05.341	AS 42.05.501
	AS 42.05.291	AS 42.05.351	AS 42.05.691

**Article 6. Adjustment Clause.**

Section	Section
501. Application and waiver	505. Adjustment clauses for gas utilities
502. Criteria for adjustment clauses	506. Filing requirements for gas utilities
503. Adjustment clauses for electric utilities	507. Affiliated interest transactions
504. Filing requirements for electric utilities	519. Definitions

**3 AAC 52.501. Application and waiver.** (a) Each electric utility subject to the regulatory jurisdiction of the commission must comply with the provisions of 3 AAC 52.501 — 3 AAC 52.504 and 3 AAC 52.507 — 3 AAC 52.519.

(b) Each gas utility subject to the regulatory jurisdiction of the commission must comply with the provisions of 3 AAC 52.501 — 3 AAC 52.502 and 3 AAC 52.505 — 3 AAC 52.519.

(c) Unless otherwise required under AS 42.05, a requirement in 3 AAC 52.501 — 3 AAC 52.519 may be modified or waived, in whole or in part, by order of the commission, on the commission's own motion or on a showing that the waiver or modification is in the public interest. A utility shall file and the commission will consider an application for waiver in accordance with 3 AAC 48.805. (Eff. 1/11/2004, Register 169)

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
	AS 42.05.381		

**3 AAC 52.502. Criteria for adjustment clauses.** (a) Cost elements included in an adjustment clause must be

(1) subject to change at a rate that would cause financial harm to the utility if the costs were recovered exclusively in base rates;

- (2) beyond the control of the utility; and
- (3) easily verifiable.

(b) The commission will review cost elements included in a utility's adjustment clause in each general rate case. A utility may not include a cost element in its adjustment clause unless the commission has previously approved that cost element in a general rate case or in a separate tariff filing in accordance with 3 AAC 52.504(c) or 3 AAC 52.506(c).

(c) Notwithstanding (b) of this section, a utility with an approved adjustment clause on January 11, 2004 may, unless the commission orders otherwise, continue to use its approved methodology and include all approved cost elements in its filings until its next general rate case. (Eff. 1/11/2004, Register 169)

<b>Authority:</b> AS 42.05.141 AS 42.05.151 AS 42.05.381	AS 42.45.110 AS 42.45.130	AS 42.45.160 AS 42.45.170
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**3 AAC 52.503. Adjustment clauses for electric utilities.** (a) A cost-of-power adjustment (COPA) for an electric utility must provide for an adjustment, per kilowatt-hour of sales, equal to the difference between the utility's cost of power included in its base rates and the utility's projected cost of power according to the following formula:

$$\text{COPA} = \frac{(C_p + B)}{S_p} - C_b$$

where:

- $C_p$  = the total projected cost of fuel and purchased power for the future period;
- $B$  = the balance in the cost-of-power balancing account;
- $S_p$  = the projected kilowatt-hour sales for the future period; and
- $C_b$  = the base cost of power.

(b) In the formula set out in (a) of this section,

(1) the balance in the cost-of-power balancing account must be entered into the COPA calculation and derived on a monthly basis, with the following entries made:

(A) a debit entry equal to the actual monthly amounts for all cost elements approved for recovery under 3 AAC 52.502;

(B) a credit entry equal to the total number of kilowatt-hours sold during the month multiplied by the cost of power per kilowatt-hour included in base rates;

(C) a credit entry equal to the total number of kilowatt-hours of energy sold during the month multiplied by the actual COPA assessed during that month;

(D) additional entries that the commission approves on a showing of good cause;

(2) the total projected cost of fuel and purchased power for the future period, and the projected kilowatt-hour sales for the future

period, must be projected for the future period defined in the utility's COPA methodology approved by the commission; and

(3) in a general rate case, the electric utility must reset the base cost of power; the reset base cost of power includes all test year fuel and purchased power costs that the commission approves for recovery through the COPA; however, an electric utility may propose, or the commission may require, that the base cost of power be set at zero, to permit the entire approved cost of fuel and purchased power to be recovered through the COPA. (Eff. 1/11/2004, Register 169)

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
	AS 42.05.381		

### 3 AAC 52.504. Filing requirements for electric utilities.

(a) An electric utility shall submit each COPA as a tariff filing in compliance with the applicable provisions of 3 AAC 48.200 — 3 AAC 48.380. With its first COPA tariff filing after January 11, 2004, an electric utility must submit a copy of each contract required under 3 AAC 52.470(d) — (e), if that contract is not already on file with the commission.

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

(c) If an electric utility seeks, outside of a general rate case, to change its COPA methodology or include any new cost element in its COPA, it 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. An electric 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 COPA filing under (b) of this section, an electric utility is not required to give public notice under AS 42.05.411. However, if an electric utility seeks, outside of a general rate case, a change to its COPA methodology, a change to a COPA cost element, or a change to its COPA 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 COPA tariff filing, an electric utility must identify the percentage change in the average cost of power 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-power balancing account balance exceeds 10 percent of the electric utility's annual fuel and purchased power costs, the electric utility shall submit a COPA tariff filing.

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

- (1) a copy of each invoice for costs recovered through the COPA;
- (2) records of monthly fuel inventories, and of changes to those inventories;
- (3) a report of actual monthly kilowatt-hour sales by customer class;
- (4) reports by unit of actual monthly
  - (A) gross kilowatt-hour generation; and
  - (B) station service;
- (5) a report showing the actual monthly cost per kilowatt-hour for each fuel and purchased power source, and a brief explanation for any change in that cost;
- (6) a report calculating the monthly margins for economy energy sales and the average price per kilowatt-hour for economy energy purchases;
- (7) the COPA calculation;
- (8) documentation in support of projected costs and sales for the future period;
- (9) a calculation of monthly balances in the cost-of-power balancing account;
- (10) revised tariff sheets;
- (11) other information that the commission considers necessary to explain entries in the cost-of-power balancing account or to explain the proposed COPA calculation.

(h) The electric 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 electric utility lacks a readily accessible means or the capability to provide items in the required electronic format.

(i) An electric utility may request, or the commission may order, the correction or adjustment of actual entries in the cost-of-power 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)

<b>Authority:</b>	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	

**Editor's note:** As of Register 207 (October 2013), and acting under AS 44.62.125(b)(6), the regulations attorney made a technical change to 3 AAC 52.504(a), and inserted a missing history note for 3 AAC 52.504.

**3 AAC 52.505. Adjustment clauses for gas utilities.** (a) A gas cost adjustment (GCA) for a gas utility must provide for an adjustment, per Mcf of sales, equal to the difference between the utility's gas

costs included in its base rates and the utility's projected gas costs according to the following formula:

$$GCA = \frac{(C_g + B) - C_b}{S_g}$$

where:

$C_g$  = the total projected cost of gas for the future period;

$B$  = the balance in the cost-of-gas balancing account;

$S_g$  = the projected Mcf sales for the future period; and

and  $C_b$  = the base cost of gas.

(b) In the formula set out in (a) of this section, the

(1) the balance in the cost-of-gas balancing account must be entered into the GCA calculation and derived on a monthly basis, with the following entries made:

(A) a debit entry equal to the actual monthly amounts for all cost elements approved for recovery under 3 AAC 52.502;

(B) a credit entry equal to the total number of Mcf of gas sold during the month multiplied by the cost of gas per Mcf included in base rates;

(C) a credit entry equal to the total number of Mcf of gas sold during the month multiplied by the actual GCA assessed during that month; and

(D) additional entries that the commission approves on a showing of good cause;

(2) the total projected cost of gas for the future period, and the projected Mcf sales for the future period, must be projected for the future period defined in the utility's GCA methodology approved by the commission; and

(3) in a general rate case, the gas utility must reset the base cost of gas; the reset base cost of gas includes all test year gas costs that the commission approves for recovery through the GCA; however, a gas utility may propose, or the commission may require, that the base cost of gas be set at zero, to permit the entire approved cost of gas to be recovered through the GCA. (Eff. 1/11/2004, Register 169)

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
	AS 42.05.381		

**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	

**3 AAC 52.507. Affiliated interest transactions.** (a) If an electric or gas utility includes in its COPA or GCA costs from transactions with affiliated interests, the utility must file the following information with each adjustment clause tariff filing:

- (1) the identity of each affiliated interest;
- (2) a description of the relationship between the utility and the affiliated interest;
- (3) a list of the products and services provided to the utility by the affiliated interest;
- (4) the prices and quantity of products or services provided to the utility by the affiliated interest;
- (5) a list of alternative suppliers of the product purchased from the affiliated interest;
- (6) if applicable, a report showing which products or services provided to the utility by the affiliated interest are also supplied to other customers by the affiliated interest, including prices and quantities.

(b) The commission may investigate, in a general rate proceeding or a separate formal proceeding, the reasonableness of costs that are associated with affiliated interest transactions and are recovered in a utility's COPA or GCA. In addition to the information required under (a) of this section, upon commencement of a formal investigation, the utility shall file

- (1) a description of costs from affiliated interest transactions that the utility proposes to recover through the COPA or GCA;
- (2) the computational methodology for the price the utility pays to the affiliated interest for the product or service; and
- (3) a comparison of the price the utility pays to the affiliated interest with the prevailing market price, if any, and a comparison of other relevant characteristics, including quality and contractual terms and conditions. (Eff. 1/11/2004, Register 169)

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
	AS 42.05.381		

**3 AAC 52.519. Definitions.** (a) In 3 AAC 52.501 — 3 AAC 52.519, unless the context requires otherwise,

- (1) "adjustment clause" means a mechanism designed to recover

changes in gas, fuel, and purchased power expenses; “adjustment clause” includes COPAs and GCAs;

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

(3) “base cost of gas” means a rate component that

(A) is used in the calculation of the GCA;

(B) reflects the gas cost per Mcf; and

(C) is included in the utility’s base rates for gas service;

(4) “base cost of power” means a rate component that

(A) is used in the calculation of the COPA;

(B) reflects the cost per kilowatt-hour of fuel and purchased power; and

(C) is included in the utility’s base rates for electric service;

(5) “base rates” means the utility’s currently effective rates for gas or electric service as authorized by the commission in the utility’s last general rate case;

(6) “COPA” means a cost-of-power adjustment for an electric utility;

(7) “GCA” means a gas cost adjustment for a gas utility;

(8) “general rate case” means a proceeding, initiated by a filing with supporting information described in 3 AAC 48.275, in which the commission reviews a utility’s costs and revenues to establish the utility’s base rates and adjustment clause methodology;

(9) “Mcf” or “Mcf of gas” means one thousand cubic feet of gas measured at 60 degrees Fahrenheit and 14.65 pounds per square inch, absolute;

(10) “station service” means kilowatt-hour consumption by the utility to run the power house.

(b) Definitions set out in 3 AAC 48.820, 3 AAC 52.500, and 3 AAC 52.690 also apply to 3 AAC 52.501 — 3 AAC 52.519. (Eff. 1/11/2004, Register 169)

<b>Authority:</b>	AS 42.05.141	AS 42.45.110	AS 42.45.160
	AS 42.05.151	AS 42.45.130	AS 42.45.170
	AS 42.05.381		

### **Article 7. Criteria for Determination of Power Cost Equalization.**

<b>Section</b>	<b>Section</b>
600. Applicability, purposes, and waiver	650. Processing of power cost equalization requests
610. Computation of power cost equalization	660. Annual filing requirements
620. Generation efficiency and line loss standards	670. Other requirements
630. Standards for nonfuel costs	680. Effect on power cost equalization for noncompliance
640. Adjustments to power cost equalization	690. Definitions

**3 AAC 52.600. Applicability, purposes, and waiver.** (a) The provisions of 3 AAC 52.600 — 3 AAC 52.690 apply to all electric utilities participating in the power cost equalization program established in AS 42.45.100 — 42.45.190.

(b) The purposes of 3 AAC 52.600 — 3 AAC 52.690 are to establish criteria for the determination of power cost equalization per kilowatt-hour and to encourage economic and efficient practices by participating electric utilities.

(c) Unless otherwise required under AS 42.05 or AS 42.45, a requirement in 3 AAC 52.600 — 3 AAC 52.690 may be modified or waived, in whole or in part, by order of the commission and a showing of good cause or on the commission's own motion. An applicant shall file and the commission will consider an application in accordance with 3 AAC 48.805. In considering an application, the commission will consider a participating electric utility's size, location, and accessibility, and other local conditions. (Eff. 10/28/89, Register 112; am 5/18/96, Register 138; am 9/11/2004, Register 171)

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 52.610. Computation of power cost equalization.**

(a) Power cost equalization per kilowatt-hour is determined separately for each rate schedule.

(b) The power cost equalization per kilowatt-hour for each rate schedule is the least of

- (1) the average rate per kilowatt-hour for that rate schedule;
- (2) the amount equal to  $.95 \times (\$1 - B)$  where B is the base amount set by the commission under (c) of this section;
- (3) the amount equal to  $.95 \times (F + NF - A - B)$  where F is the total fuel cost per kilowatt-hour;

F is the total fuel cost per kilowatt-hour;

NF is the total nonfuel cost per kilowatt-hour; and

A is other assistance per kilowatt-hour that reduces a customer's rate on a kilowatt-hour basis and that is provided to the utility within 60 days before the commission determines the power cost equalization per kilowatt-hour; and

B is the base amount established by order of the commission under (c) of this section.

(c) During each fiscal year the commission will notify the public and each utility receiving power cost equalization of a proposed base amount per kilowatt-hour and the basis for that amount. Within 45 days after notice of the proposed base amount is issued, the commission will hold a public hearing to receive comments on the proposed base amount. Within 60 days after notice of the proposed base amount is issued, the commission will issue an order establishing the base amount.

(d) In the case of all service provided under a flat kilowatt-hour rate structure and in the case of service provided under a declining block

rate structure to a customer that is not a community facility, the average rate per kilowatt-hour is calculated by dividing the cost of the first 500 kilowatt-hours of service by 500 kilowatt-hours and subtracting the base amount established under (c) of this section from the result. In calculating the cost of the first 500 kilowatt-hours of service, all energy charges, including base rates, fuel surcharge rates, and customer charges, are included, but demand charges are not included.

(e) In the case of all service provided under an inclining block rate structure and in the case of service provided under a declining block rate structure to a community facility, the average rate per kilowatt-hour is determined separately for each block of the declining or inclining block rate structure. For each block of service within each rate schedule, the average rate per kilowatt-hour is the total energy charges for each kilowatt-hour in that block (including both base rates and fuel surcharge rates but not including demand charges) minus the base amount established under (c) of this section.

(f) For a regulated participating electric utility, total fuel cost is calculated in accordance with the fuel surcharge calculation made under 3 AAC 52.502 — 3 AAC 52.504 for that utility, subject to adjustment if the utility does not achieve the generation efficiency standards set out in 3 AAC 52.620.

(g) For a nonregulated participating electric utility, total fuel cost is calculated as follows:

(1) total fuel cost is calculated by multiplying the price of fuel per gallon times the lesser of the

(A) actual number of gallons consumed for electric generation;  
or

(B) number of gallons that would have been consumed if the utility had achieved the generation efficiency standards set out in 3 AAC 52.620;

(2) for a utility that does not have substantial inventory capacity, the price of fuel per gallon is the current invoiced price of fuel; for a utility that has substantial inventory capacity, the price of fuel per gallon is the most current weighted average cost of fuel; in either event, the price of fuel per gallon includes costs of delivery of the fuel to the utility;

(3) in determining total fuel cost per kilowatt-hour, both the number of gallons consumed and the kilowatt-hours sold are based on a 12-month period ending no more than 30 days before the date that the utility requests a change in its power cost equalization per kilowatt-hour;

(4) in determining whether the utility achieved the generation efficiency and line loss standards set out in 3 AAC 52.620, the number of gallons consumed, the kilowatt-hours generated, and the kilowatt-hours sold are based on the same 12-month period used in (3) of this subsection.

(h) Subject to the standards set out in 3 AAC 52.630, total nonfuel costs include all nonfuel costs, except return on equity, that regulated

electric utilities are allowed to include in the revenue requirement recoverable from ratepayers.

(i) In calculating the fuel and nonfuel costs per kilowatt-hour under this section, neither the costs nor kilowatt-hour sales associated with a United States Department of Defense facility are considered.

(j) Fuel and nonfuel costs per kilowatt-hour are calculated by dividing total fuel and nonfuel cost by the greater of the

(1) actual number of kilowatt-hours sold; or

(2) number of kilowatt-hours that would have been sold if the utility had achieved the line loss standards set out in 3 AAC 52.620.

(Eff. 10/28/89, Register 112; am 5/18/96, Register 138; am 9/11/2004, Register 171; am 10/9/2015, Register 216)

Authority: AS 42.05.141  
AS 42.05.151

AS 42.45.110  
AS 42.45.130

AS 42.45.160  
AS 42.45.170

**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 according to the following formula:

A line loss standard of 12 percent applies to all electricity sold, and is measured according to the following formula:

$$\text{Line Loss} = \frac{G - (S + E)}{G}$$

where

G equals all kilowatt-hours generated or purchased, from whatever source;

S equals kilowatt-hours sold; and

E equals station service, as defined in 3 AAC 52.519(a).

(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; am 10/9/2015, Register 216)

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 52.630. Standards for nonfuel costs.** Nonfuel costs used in the calculation of power cost equalization per kilowatt-hour are subject to the following standards:

(1) depreciation rates must be in accordance with the guidelines established by the Rural Electrification Administration that were in effect as of January 1, 1988, or, if different, the standards established by the commission;

(2) depreciation expense is not allowed on plant funded with grants, contributions in aid of construction, or other nonutility money; and

(3) unless the commission authorizes a different method of cost recovery appropriate to the overhaul, costs for major overhauls on equipment must be amortized over an appropriate period approved by the commission.

(Eff. 10/28/89, Register 112; am 9/11/2004, Register 171)

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)

<b>Authority:</b>	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.

**3 AAC 52.650. Processing of power cost equalization requests.** (a) Within 45 days after a participating electric utility makes a complete request under 3 AAC 52.640 for an adjustment of its power cost equalization per kilowatt-hour, the commission by order will approve the filing, modify and approve it, or suspend it in whole or in part for further action. If the commission enters an order suspending a power cost equalization request only in part, the part that is not suspended takes effect at the end of the 45-day period.

(b) If the commission determines that a request for an adjustment of power cost equalization per kilowatt-hour should be suspended, the commission will, in its discretion, grant interim, refundable power cost

equalization per kilowatt-hour. (Eff. 10/28/89, Register 112; am 9/11/2004, Register 171)

Authority: AS 42.05.141  
AS 42.05.151

AS 42.45.110  
AS 42.45.130

AS 42.45.160  
AS 42.45.170

**3 AAC 52.660. Annual filing requirements.** (a) In order for the commission to determine whether the power cost equalization per kilowatt-hour of a participating electric utility is just and reasonable, a utility shall annually file with the commission a report for review.

(b) For a regulated participating electric utility, the report required by (a) of this section is the annual report required under AS 42.05.451(b).

(c) For a nonregulated participating electric utility, the report required by (a) of this section must be filed on the date specified by the commission by order and include the following information:

(1) a copy or summary of the effective rate schedule for each customer class, stating the current charges without power cost equalization;

(2) a statement of assets, liabilities, and other credits as of the end of the calendar or fiscal year being reported;

(3) a statement of income and operating expenses for the calendar or fiscal year being reported;

(4) a schedule of utility plant and depreciation for the calendar or fiscal year being reported, showing

(A) plant in service; and

(B) for each plant account,

(i) depreciation expense;

(ii) the depreciation method;

(iii) asset life;

(iv) net salvage used for computing depreciation expense;

(v) the end-of-year balance; and

(vi) the related account for accumulated depreciation;

(5) a schedule of monthly kilowatt-hour generation and sales, monthly fuel consumption, and monthly fuel balances and purchases; a utility that does not rely exclusively on diesel generation must separately report its hydroelectric generation, wind generation, and purchased power, as applicable.

(d) The report required by (a) of this section must be accompanied by

(1) audited financial statements if the utility had a financial audit performed for the calendar or fiscal year being reported; and

(2) a trial balance, if the utility maintains its records using a computerized accounting system; a nonregulated participating electric utility that does not maintain its records using a computerized accounting system must include manually prepared schedules showing the calculations used to prepare the statement of income and operating expenses required in (c)(3) of this section.

(Eff. 10/28/89, Register 112; am 9/11/2004, Register 171)

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 52.670. Other requirements.** A participating electric utility shall

(1) install and maintain adequate meters to measure kilowatt-hours of generation, fuel consumption, and energy consumption by all ratepayers as prescribed by 3 AAC 107.200;

(2) make reasonable efforts to minimize administrative, operating, and overhead costs, including use of the best available technology consistent with sound utility management practices;

(3) cooperate with appropriate state agencies to implement cost-effective energy conservation measures and to plan for and implement feasible alternatives to diesel generation; and

(4) file a monthly report with the Alaska Energy Authority in accordance with the requirements of AS 42.45.110(h)(1) and 42.45.170(a)(2). (Eff. 10/28/89, Register 112; am 5/18/96, Register 138; am 9/11/2004, Register 171)

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 52.680. Effect on power cost equalization for noncompliance.** (a) If a participating electric utility fails to comply with any of the requirements of AS 42.45.100 — 42.45.190 or 3 AAC 52.600 — 3 AAC 52.670, the power cost equalization (PCE) of that utility becomes interim and refundable effective as of the initial date of the noncompliance.

(b) If a nonregulated participating electric utility fails to notify the commission at least 30 days before a change in its rates, the PCE becomes interim and refundable effective on the same day the utility implements the rate change

(c) If a participating electric utility fails to file its annual report when due, the PCE becomes interim and refundable on the date the annual report was due, and the commission may recommend that further PCE disbursements to the utility be suspended until the annual report is filed and the commission establishes permanent PCE rates.

(d) The PCE rate designated as interim and refundable under this section is subject to modification when a permanent PCE rate is approved by order of the commission. The modification will be made as follows:

(1) if the permanent PCE rate is less than the interim and refundable PCE rate, the effective date for the permanent PCE rate is the date that the interim and refundable PCE rate was established by the commission; the difference between the two rates will be recovered by the Alaska Energy Authority under the provisions of 3 AAC 107.210(d);

(2) if the permanent PCE rate is greater than the interim and refundable PCE rate, the effective date for the permanent PCE rate is the date that the permanent PCE rate is established by the commission; the lower interim and refundable PCE rate will be made permanent for the period from the date that the interim and refundable PCE rate was established to the date that the higher permanent PCE rate is effective.

(e) If a participating electric utility fails to file its periodic fuel or purchased power cost report when due, the PCE becomes interim and refundable on the date the report was due, and the commission may recommend that further PCE disbursements to the utility be suspended until the utility files its periodic fuel or purchased power cost report and the commission establishes permanent PCE rates. (Eff. 10/28/89, Register 112; am 5/18/96, Register 138; am 9/11/2004, Register 171)

<b>Authority:</b>	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 regulations attorney under AS 44.62.125(b)(6) made technical conforming amendments to 3 AAC 52.680(d)(1) to implement ch. 58, SLA 1999.

**3 AAC 52.690. Definitions.** Unless the context indicates otherwise, in 3 AAC 52.600 — 3 AAC 52.690

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

(2) "community facility" means a facility determined by the Alaska Energy Authority to be a community facility as defined in AS 42.45.150(1) and 3 AAC 107.270(b);

(3) "fuel surcharge" means a fuel cost rate adjustment, a cost-of-power adjustment, or any similar mechanism;

(4) "kilowatt-hour sold" means all electric energy delivered by a utility to consumers and includes energy furnished by the utility to a consumer free of charge;

(5) "nonregulated participating electric utility" means a utility that is exempt from the provisions of AS 42.05, except for the provisions of AS 42.05.221 — 42.05.281, or from all the provisions of AS 42.05;

(6) "participating electric utility" means an eligible electric utility as defined in AS 42.45.150(2) that receives payments from the power cost equalization fund;

(7) "regulated participating electric utility" means a utility as defined in AS 42.05.990(4)(A) that is subject to the provisions of AS 42.05;

(8) "substantial inventory capacity" means fuel storage capacity exceeding 10 percent of annual usage;

(9) "PCE" means power cost equalization. (Eff. 10/28/89, Register 112; am 5/18/96, Register 138; am 4/24/2004, Register 170; am 9/11/2004, Register 171)

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
AS 42.05.990		

**Editor's note:** For Alaska Energy Authority regulations regarding the power cost equalization program, see 3 AAC 107.200 — 3 AAC 107.270.  
As of Register 151 (October 1999), the

regulations attorney under AS 44.62.125 (b)(6) made technical conforming amendments to 3 AAC 52.690(3) to implement ch. 58, SLA 1999.

### Article 8. Water and Wastewater Utilities.

Section	Section
700. Exempt water or wastewater utilities	724. Continuing requirements
710. Certificate of public convenience and necessity	726. Customer complaints
715. Public convenience and necessity finding for new utilities	730. Tariffs required
720. Provisional certification: purpose and eligibility	732. Tariffs revisions
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**3 AAC 52.700. Exempt water or wastewater utilities.** (a) A water or wastewater utility, is exempt from provisions of AS 42.05 requiring a certificate of public convenience and necessity or relating to economic regulation within the meaning of 3 AAC 48.820, if the water or wastewater utility

(1) collects or transports wastewater only by tank, wagon, or similar conveyance, unless the water or wastewater utility provides the service to a public utility that is an affiliated interest;

(2) provides water or wastewater service to a mobile home community exclusively, without a charge separate from the rent paid by tenants of that community; in this paragraph "mobile home community" means a piece of real property on which the owner develops for lease two or more sites for locating but not permanently affixing mobile homes;

(3) provides bulk water sales exclusively to water haul vehicles or individuals who self-haul water;

(4) serves fewer than 15 service connections;

(5) is a water utility that

(A) is within the service area of and receives bulk water service from a water utility with

(i) a certificate of public convenience and necessity; or

(ii) provisional certification under 3 AAC 52.720 — 3 AAC 52.738;

(B) and does not

(i) create a different pressure zone from the main;

(ii) provide additional treatment to the water supply before distribution;

(iii) sub-meter the water; or

- (iv) require payment as a separate line-item on a bill; or
- (6) is a wastewater utility that
  - (A) is within the service area of and receives bulk wastewater service from a wastewater utility with
    - (i) a certificate of public convenience and necessity; or
    - (ii) provisional certification under 3 AAC 52.720 — 3 AAC 52.738; and
  - (B) does not:
    - (i) treat the wastewater; or
    - (ii) require payment as a separate line-item on a bill.

(b) Exemption from regulation under this section may be terminated as provided in AS 42.05.712(h) or by order of the commission for good cause.

(c) A utility that is exempt under this section may apply for provisional certification by filing an application that complies with 3 AAC 52.722. (Eff. 6/19/2004, Register 170; am 6/3/2007, Register 182)

<b>Authority:</b>	AS 42.05.141	AS 42.05.241	AS 42.05.711
	AS 42.05.151	AS 42.05.691	AS 42.05.712
	AS 42.05.221		

**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 42.05.151

AS 42.05.221

AS 42.05.241

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).

**3 AAC 52.715. Public convenience and necessity finding for new utilities.** (a) An entity that proposes to provide water or wastewater utility service through a system that is not yet built may not begin construction of the system until the commission determines that the public convenience and necessity requires the service.

(b) An entity described in (a) of this section must file an application for a finding of public convenience and necessity that includes the following:

(1) all information required by 3 AAC 52.710(b)(1) - (4), (6) - (8), (10) - (11), (14), and (18);

(2) an estimate of the cost to design and install the system in

compliance with applicable requirements of 18 AAC 80 for a public water system or 18 AAC 72 for a domestic wastewater system;

(3) a projection of revenues and expenses, including capital recovery, for the first full fiscal year after the utility begins collecting fees from customers; if the estimated expenses exceed the estimated revenues, the source of supplemental money that is anticipated to sustain the utility's operation must be identified;

(4) if another utility provides similar service within one mile of the applicant's proposed service area, an explanation why connection to the existing service is not in the customer's interest;

(5) any additional filings the commission requires to explain or supplement the information filed under this subsection.

(c) The commission will determine if an application for a finding 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.

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

(e) The commission will issue a finding of public convenience and necessity or deny the application within 90 days after the entity proposing to provide water or wastewater utility service files a complete application.

(f) If the commission determines that the public convenience and necessity does not require the entity's proposed utility service and denies the application, the entity may request a hearing in accordance with AS 42.05.171. (Eff. 6/19/2004, Register 170)

Authority: AS 42.05.141  
AS 42.05.151

AS 42.05.221

AS 42.05.241

**3 AAC 52.720. Provisional certification: purpose and eligibility.** (a) A provisional certificate is granted to a class of utility that is currently providing or will provide water or wastewater utility service required for the public convenience and necessity but that might not meet standards of financial fitness the commission otherwise applies in granting a certificate under AS 42.05.241. Through the provisional certification program, the commission collects and publishes, but does not verify, information reported by provisionally certificated utilities and applicants. A provisionally certificated utility is exempt from economic regulation within the meaning of 3 AAC 48.820 except as provided in AS 42.05.385 and 3 AAC 52.726. The commission does not inspect a provisionally certificated utility or certify its compliance with any health or safety requirements of state or federal law.

(b) A water or wastewater utility is eligible for a provisional certificate of public convenience and necessity if the utility owns water treatment and distribution or wastewater treatment and collection facilities and is

(1) a community association, cooperative, political subdivision, or

government that has fair and equitable customer representation; for purposes of this paragraph, a utility has fair and equitable customer representation if each individual who is a utility customer has the opportunity to

(A) vote at a local election for members of a board, council, assembly, or body that controls the utility; or

(B) attend meetings and vote directly on matters affecting local utilities;

(2) any other form of business structure that has an annual gross revenue less than \$50,000;

(3) any other form of business structure that has annual gross revenue greater than \$50,000 but less than \$150,000 if the utility petitions to be provisionally certificated, and the commission, after investigation and a hearing to solicit comments from consumers and other members of the public, grants the petition; the commission may, upon petition or its own motion, and after a hearing, require a utility provisionally certificated under this paragraph to return to economically regulated status; or

(4) an exempt utility that voluntarily seeks provisional certification under 3 AAC 52.700(c).

(c) Water and wastewater utilities that are financially and managerially consolidated and operating under one tariff or ordinance may file a single application providing the information required in 3 AAC 52.722, and may file jointly to comply with the ongoing requirements in 3 AAC 52.724, including application fees. (Eff. 6/19/2004, Register 170; am 6/3/2007, Register 182)

Authority: AS 42.05.141  
AS 42.05.151

AS 42.05.221  
AS 42.05.241

AS 42.05.691  
AS 42.05.711

**3 AAC 52.722. Application for provisional certification.** (a) A utility that is eligible under 3 AAC 52.720 to apply for provisional certification must provide the following information on a form prescribed by the commission:

(1) the utility's legal name and the name under which it proposes to do business;

(2) the address of the utility'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) for entities qualified for provisional certification under 3 AAC 52.720(b)(2), an affidavit stating

(A) the utility's annual accounting period and annual gross revenue for the most recent fiscal year; or

(B) projected revenues for the first full fiscal year if the utility is a new water or wastewater utility that has not begun providing service or that has not completed a full fiscal year of service;

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

(7) a copy of the bylaws for any community association or cooperative;

(8) the classes of service and the number of service connections the utility is serving in each class, along with information detailing any planned expansions;

(9) a tariff meeting the requirements of 3 AAC 52.730 — 3 AAC 52.740;

(10) an informational filing detailing the rates the utility will charge for the classes of service available and the amount and source of revenues that are not derived from customer charges;

(11) 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;

(12) an application fee of \$300.

(b) A previously certificated water or wastewater utility that is eligible for provisional certification under 3 AAC 52.720 and that does not have a proceeding pending before the commission may return the utility's certificate parchment to the commission and apply for provisional certification as provided in (a) of this section. The utility is not required to re-submit previously filed information unless the information is not currently correct.

(c) If the commission finds that an application for provisional certification is incomplete, the commission will, by letter, notify the applicant of the additional information needed to complete the application. A provisional certificate will be issued within 90 days after the receipt of a complete application that the commission finds to be in the public interest.

(d) An applicant for a provisional certificate of public convenience and necessity is exempt from the public notice provisions of 3 AAC 48.645.

(e) For good cause, the commission may revoke a provisional certificate, suspend the utility's operating authority, require additional information, or take other appropriate action to protect the public. If the commission issues an order under this section, the order will be stayed if the utility requests a hearing within 10 days after the date of the order. (Eff. 6/19/2004, Register 170; am 6/3/2007, Register 182)

<b>Authority:</b> AS 42.05.141 AS 42.05.151 AS 42.05.221	AS 42.05.241 AS 42.05.254	AS 42.05.271 AS 42.05.691
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**3 AAC 52.724. Continuing requirements.** (a) A provisionally certificated utility shall file the following information each year, no later than 180 days after the close of the utility's annual accounting period:

- (1) a fee of \$100;
- (2) an affidavit stating that the utility continues to meet the qualifications for provisional certification set out in 3 AAC 52.720;
- (3) a statement of any changes to information submitted with the utility's application for provisional certification;
- (4) a statement of revenue and expense for the last fiscal year on a form prescribed by the commission; the utility must identify all sources of revenue including customer fees and operational subsidies from other sources; to comply with this paragraph

(A) the utility may file a combined water and wastewater statement using at least the following accounts, if applicable to that utility: income account 400 and associated subaccounts and expense accounts 401, 403, 408.1, 409.1, 421, and 427 as described in the Uniform System of Accounts for Class D water utilities prescribed under 3 AAC 48.277(a)(17);

(B) the utility may file a separate water and wastewater statement using at least the following accounts, if applicable to that utility:

- (i) for water, income account 400 and associated subaccounts and expense accounts 401, 403, 408.1, 409.1, 421, and 427 as described in the Uniform System of Accounts for Class D water utilities prescribed under 3 AAC 48.277(a)(17);
- (ii) for wastewater, income account 400 and associated subaccounts and expense accounts 401, 402, 403, 408, 409, 421, and 427 as described in the Uniform System of Accounts for Class D sewer utilities prescribed under 3 AAC 48.277(a)(27);
- (5) the following information from the utility's reporting period, on a form prescribed by the commission:

(A) the number of active connections by customer class and the monthly user fees associated with them;

(B) the total water production for the fiscal year;

(C) the yearly water consumption of each individually metered user.

(b) Repealed 6/3/2007.

(c) A provisionally certified utility must submit an application as provided in 3 AAC 52.722 before modifying its service area. A utility filing for a service area amendment must include the revised portions of its tariff with its application.

(d) If a provisionally certificated utility does not timely file the information required in this section, the commission may post notice of

the violation on the commission's web site, or may, after notice to the utility, issue an order revoking the utility's provisional certificate. If the commission revokes a utility's provisional certificate under this section, the order will be stayed if the utility requests a hearing within 10 days after the date of the order. (Eff. 6/19/2004, Register 170; am 6/3/2007, Register 182)

<b>Authority:</b> AS 42.05.141	AS 42.05.241	AS 42.05.451
AS 42.05.151	AS 42.05.254	AS 42.05.691
AS 42.05.221		

**Editor's note:** Copies of the Uniform System of Accounts for Class D water utilities and the Uniform System of Accounts for Class D sewer utilities can be viewed at the office of the Regulatory Commission of Alaska, 701 West 8th Ave., Suite 300, Anchorage, Alaska 99503, or on the commission's website at [www.state.ak.us/rca/RUS/](http://www.state.ak.us/rca/RUS/).

**3 AAC 52.726. Customer complaints.** (a) A provisionally certificated utility shall include the following statement on each bill sent to a customer:

"You should contact us first if you have a complaint about your water or wastewater service. If you are not satisfied after contacting us, you may then file a complaint with the Regulatory Commission of Alaska. The Regulatory Commission of Alaska may be contacted toll-free at 1-800-390-2782, or TDD (907) 276-4533."

(b) Upon receipt of an informal complaint under 3 AAC 48.120 about a provisionally certificated utility, the commission will contact the provisionally certificated utility to verify that its most recently filed tariff is still effective or to obtain any updates to the tariff. The provisionally certificated utility shall provide any tariff updates within 10 business days after the commission's request. If an informal complaint is not resolved or is appealed by the customer or utility, a formal complaint may be made as provided in 3 AAC 48.130. (Eff. 6/19/2004, Register 170)

**Authority:** AS 42.05.141 AS 42.05.151

**3 AAC 52.730. Tariffs required.** (a) A water or wastewater utility that has a provisional certificate or that is, under AS 42.05.711(b), certificated but not subject to economic regulation within the meaning of 3 AAC 48.820 shall comply with the tariff requirements set out in 3 AAC 52.730 — 3 AAC 52.740.

(b) A utility owned and operated by a political subdivision or government may submit approved ordinances that meet the requirements of 3 AAC 52.730 — 3 AAC 52.740, in place of a tariff. (Eff. 6/19/2004, Register 170)

Authority: AS 42.05.141 AS 42.05.291 AS 42.05.711  
AS 42.05.151 AS 42.05.361

**3 AAC 52.732. Tariffs revisions.** A provisionally certificated utility may revise its tariffs without commission approval, but must file any revision within 30 days after the effective date of the revised tariff. The filing must state the effective date of the revised tariff. (Eff. 6/19/2004, Register 170)

Authority: AS 42.05.141 AS 42.05.361  
AS 42.05.151

**3 AAC 52.734. Tariffs on file for public inspection.** (a) A provisionally certificated utility shall keep its tariff available for public inspection in accordance with 3 AAC 48.250(a) and (b) and 3 AAC 48.260.

(b) The effective tariff of a provisionally certificated utility controls the utility's rates, charges, regulations, terms and conditions of service as provided in 3 AAC 48.320. (Eff. 6/19/2004, Register 170)

Authority: AS 42.05.141 AS 42.05.151 AS 42.05.361

**3 AAC 52.736. Contents of tariffs.** The tariff of a provisionally certificated utility must contain the following:

- (1) a title page including the exact legal name of the utility, the service offered and the complete address of the utility;
- (2) an index page with a complete and accurate list of contents;
- (3) a map or set of maps depicting the utility's service area;
- (4) a written description of the service area matching the area approved by the commission;
- (5) a map depicting the areas, zones, or districts in which any different rate schedules apply;
- (6) a complete set of the regulations governing the services offered;
- (7) a schedule of all rates and charges for each class of service offered. (Eff. 6/19/2004, Register 170)

Authority: AS 42.05.141 AS 42.05.151 AS 42.05.361

**3 AAC 52.738. Content of rules and regulations and rates.** The tariff of a provisionally certificated utility must include the items listed in 3 AAC 48.370 and 3 AAC 48.380, as applicable. (Eff. 6/19/2004, Register 170)

Authority: AS 42.05.141 AS 42.05.151 AS 42.05.361

**3 AAC 52.740. Waiver.** Unless otherwise required under AS 42.05, a requirement in 3 AAC 52.730 — 3 AAC 52.738 may be modified or waived, in whole or in part, by order of the commission, on the

commission's own motion or on a showing that the waiver or modification is in the public interest. An entity shall file and the commission will consider an application for waiver in accordance with 3 AAC 48.805. (Eff. 6/19/2004, Register 170)

Authority: AS 42.05.141 AS 42.05.151 AS 42.05.711

**3 AAC 52.749. Definitions.** Unless the context indicates otherwise, in 3 AAC 52.700 — 3 AAC 52.749,

- (1) "affiliated interest" has the meaning given in AS 42.05.990;
- (2) "annual gross revenues" means the revenues that would be accrued by the utility, assuming a 100 percent collection rate from customers;
- (3) "business day" means a day other than Saturday, Sunday, or a state holiday;
- (4) "classes of service" includes residential, commercial, industrial, institutional, or bulk water or sewer service;
- (5) "service connection" means physically separated customer locations that are connected to the water or wastewater plant by a distribution or collection system;
- (6) "system" means components used for the collection, treatment, storage, and distribution of drinking water or for the collection, treatment, and disposal of wastewater;
- (7) "wastewater utility" means a utility that furnishes sewer service to the public for compensation;
- (8) "water utility" means a utility that furnishes drinking water service to the public for compensation. (Eff. 6/19/2004, Register 170)

Authority: AS 42.05.141 AS 42.05.151

**Article 9. Plant Replacement and Improvement Surcharge Mechanism.**

<b>Section</b>	<b>Section</b>
800. Application and waiver	825. Accounting for surcharge revenues, reconciliation, and correction
805. Criteria for plant improvement surcharges	830. Eligible plant
810. Notice	835. Affiliated transactions
815. Long-term infrastructure improvement plan and asset optimization plan	840. Consumer protections
820. Calculation and collection of surcharge rate	890. Definitions

**3 AAC 52.800. Application and waiver.** (a) An eligible water or wastewater utility may establish a surcharge to recover capital costs associated with plant placed in service between general rates cases, if the surcharge complies with the provisions of 3 AAC 52.800 — 3 AAC 52.890.

(b) A requirement of 3 AAC 52.800 — 3 AAC 52.890 may be modified or waived, in whole or in part. A utility shall file and the

commission will consider an application for waiver using the procedures and standards set out in 3 AAC 48.805. (Eff. 6/29/2014, Register 210)

Authority: AS 42.05.141

AS 42.05.151

**3 AAC 52.805. Criteria for plant improvement surcharges.**

(a) An eligible water or wastewater utility that proposes to include a surcharge authorized under 3 AAC 52.800 — 3 AAC 52.890 in its tariff shall, by tariff advice letter in compliance with 3 AAC 48.200 — 3 AAC 48.380, file one or more tariff sheets that

(1) identify the classes of property eligible for capital cost recovery through the surcharge;

(2) establish the initial effective date of the surcharge;

(3) describe the method for computing the surcharge;

(4) describe the method for updating the surcharge rate on a regular basis, not more often than quarterly, and not less often than annually; and

(5) describe consumer protections applicable to the surcharge.

(b) An eligible water or wastewater utility that proposes to revise any aspect of its surcharge shall file the revision by tariff advice letter in compliance with 3 AAC 48.200 — 3 AAC 48.380.

(c) Unless the initial surcharge tariff filing or revision is part of a general rate case, 3 AAC 48.275(a) does not apply to filings under (a) or (b) of this section, if the filings comply with 3 AAC 52.800 — 3 AAC 52.890.

(d) The filing of an initial or revised surcharge tariff must be accompanied by

(1) a copy of the utility's most recent long-term infrastructure improvement plan;

(2) a copy of the utility's most recent annual asset optimization plan;

(3) certification that a general rate case has been filed within the five years immediately preceding the establishment or revision of the surcharge tariff, or, if no general rate case has been filed within the five years before the establishment or revision of the surcharge, a general rate case containing at least the supporting information required by 3 AAC 48.275(a); and

(4) supporting information in the form of prefiled direct testimony, together with a list of witnesses filing testimony sufficient to demonstrate that the surcharge is in the public interest, and will facilitate utility compliance with

(A) the requirement in AS 42.05.291(a) to provide adequate, efficient, and safe services and facilities;

(B) the requirement in AS 42.05.291(a) that service be reasonably continuous and provided without unreasonable interruption or delay;

(C) any order of the commission or other state or federal agency related to safety or public health; and

(D) any other provision of state or federal law requiring provision and maintenance of adequate, efficient, safe, reliable, and reasonable service, including laws related to public health and environmental quality. (Eff. 6/29/2014, Register 210)

Authority: AS 42.05.141 AS 42.05.151

**3 AAC 52.810. Notice.** (a) Initial and revised surcharge tariff filings are subject to 3 AAC 48.240 and 3 AAC 48.280.

(b) The utility shall notify customers by bill insert, or other method specified in the approved surcharge tariff, before filing periodic updates of a surcharge rate. An additional notice of a surcharge rate update will not be required unless ordered by the commission. (Eff. 6/29/2014, Register 210)

Authority: AS 42.05.141 AS 42.05.151

**3 AAC 52.815. Long-term infrastructure improvement plan and asset optimization plan.** (a) Before filing an initial surcharge tariff, and at no less often than five-year intervals thereafter, an eligible water or wastewater utility shall file a long-term infrastructure improvement plan. The utility's plant improvement surcharge tariff must specify the minimum frequency and due date for filing long-term infrastructure improvement plans.

(b) Within one year after filing an initial long-term infrastructure improvement plan, and annually thereafter, an eligible water or wastewater utility shall file an asset optimization plan. The utility's plant improvement surcharge tariff must specify the annual date on which the asset optimization plan will be filed.

(c) A long-term infrastructure improvement plan must include

(1) a listing of the types and age of plant that the utility owns or operates, that the utility intends to improve, and for which the utility may propose to collect a surcharge;

(2) a prioritized schedule for the planned improvement of listed plant;

(3) a description of the location of the plant;

(4) an estimate of the quantity, unit cost, and total value of the plant to be improved;

(5) a projection of the annual expenditures necessary to implement the plan, including a description of the methods adopted to ensure that the plan is cost-effective; and

(6) a description of how the plan will be implemented, with emphasis on the benefits of planned improvements, the extent to which the surcharge will allow improvements to be accelerated, and the expected impact the improvements will have on quality of service.

(d) An asset optimization plan must include

(1) a detailed description of the eligible plant improved in the preceding 12-month period under the utility's long-term infrastructure improvement plan and the prior year's asset optimization plan, if any;

(2) a detailed description of all plant expected to be improved in the upcoming 12-month period; and

(3) an explanation for any plant that was, or is expected to be, improved in a sequence or manner that is not consistent with either the most recent long-term infrastructure improvement plan or the prior year's asset optimization plan.

(e) The commission staff shall review, and the commission may investigate, the long-term infrastructure improvement plan or the asset optimization plan for compliance with

(1) the provisions of 3 AAC 52.800 — 3 AAC 52.890;

(2) the uniform system of accounts established for water utilities under 3 AAC 48.277(a)(14) — (17) and for wastewater utilities under 3 AAC 48.277(a)(24) — (27), as applicable;

(3) generally accepted accounting principles; and

(4) reasonable management practices.

(f) The commission may, after notice and an opportunity to be heard, terminate the collection of a surcharge and order the removal of the utility's plant improvement surcharge tariff provision if the commission finds that the utility is not in material compliance with the regulatory and accounting standards set out in (e) of this section. (Eff. 6/29/2014, Register 210)

Authority: AS 42.05.141

AS 42.05.151

### **3 AAC 52.820. Calculation and collection of surcharge rate.**

(a) Subject to the limitations in 3 AAC 52.840, eligible utilities may implement and update a plant improvement surcharge as described in the utility's approved plant improvement surcharge tariff to recover eligible capital costs.

(b) The plant improvement surcharge must be a percentage, expressed to two decimal places, that is applied to all classes of service as a percentage of each customer's billed revenue. The percentage is calculated by dividing total annual eligible capital costs by projected annual revenue. For utilities with periodic updates more frequent than annual, the surcharge rate must be calculated as follows:

(1) a utility updating its surcharge rate on a quarterly basis shall divide depreciation rates, approved return, and percentage allowance for taxes by four, and then apply the adjusted rates to eligible plant; the total eligible capital costs resulting from that calculation shall be divided by the projected quarterly revenue;

(2) a utility updating its surcharge rate on a semi-annual basis shall divide depreciation rates, approved return, and percentage

allowance for taxes by two, and then apply the adjusted rates to eligible plant; the total eligible capital costs resulting from that calculation shall be divided by the projected semi-annual revenue;

(3) a utility updating its surcharge rate on a frequency other than quarterly or semi-annually shall divide depreciation rates, approved return, and percentage allowance for taxes by the length of the period between updates, expressed in days, divided by 365, and then apply the adjusted rates to eligible plant; the total eligible capital costs resulting from that calculation shall be divided by the projected revenue for the period the rates will be in effect.

(c) The depreciation rates, return, and allowance for taxes used for calculation of the plant improvement surcharge must be, in order of preference,

(1) the depreciation rates, return, and allowance for taxes approved in the utility's most recent fully litigated general rate case, if the general rate case was filed within five years of the initial rate or update, as applicable; depreciation rates from a more recent fully litigated depreciation proceeding under AS 42.05.471(a) may be used, unless otherwise provided by the commission order approving the depreciation rates;

(2) the depreciation rates, return, and allowance for taxes most recently stipulated by all parties and accepted by the commission in a general rate case, if the general rate case was filed within five years of the initial rate or update, as applicable, and the stipulation does not prohibit use of those elements in future plant improvement surcharge calculations; depreciation rates from a more recent stipulated depreciation proceeding under AS 42.05.471(a) may be used, unless otherwise provided by the commission order accepting the stipulated depreciation rates; for stipulations dated before June 29, 2014, the stipulated cost elements may be used only if all parties to the stipulation consent and the public interest does not require use of litigated cost elements;

(3) the depreciation rates, return, and allowance for taxes approved or accepted in the utility's most recent fully litigated or stipulated general rate case that was filed more than five years before the initial rate or update, as applicable, if, after notice and an opportunity to be heard, all parties to the most recent general rate case, and all current interested parties, consent and the commission finds that a general rate case is not in the public interest; the commission will specify the date for filing the utility's next general rate case, and the test year to be used, in the order approving the use of cost elements from a general rate case filed more than five years before the initial rate or update, as applicable; or

(4) depreciation rates, return, and allowance for taxes proposed by the utility and approved by the commission only for the purpose of calculating a specific periodic plant improvement surcharge rate update; the commission will specify the date for filing the utility's

next general rate case and the test year to be used, in the order approving the use of cost elements proposed solely for the purpose of a specific periodic plant improvement surcharge rate update.

(d) The utility shall file revised tariff sheets, supporting data, and a copy of the customer notice required under 3 AAC 52.810(b) for each periodic update with the commission at least 10 days before the effective date of the update. (Eff. 6/29/2014, Register 210)

Authority: AS 42.05.141

AS 42.05.151

**3 AAC 52.825. Accounting for surcharge revenues, reconciliation, and correction.** (a) The utility shall bill the plant improvement surcharge on a separate line on each customer bill.

(b) The utility shall separately account for all revenue from the plant improvement surcharge.

(c) The utility shall reconcile all plant improvement surcharge revenue to eligible capital costs no less often than annually. If revenue exceeds costs, the excess will be used to reduce the eligible capital costs over the next annual or other period, beginning with the next update following the reconciliation. If costs exceed revenue, notwithstanding the limitations of 3 AAC 52.840(a) or (b), as applicable, the excess will increase the eligible capital costs for purposes of calculating the surcharge rate over the next annual or other period, beginning with the next update following the reconciliation.

(d) The utility may request, or the commission may order, the correction or adjustment of actual entries used in the calculation of the surcharge rate for a period of one year following the effective date of the surcharge rate. The utility shall describe, quantify, and justify each proposed adjustment. Unless the commission orders otherwise, an error must be corrected by an adjustment to the surcharge rate at the next update. (Eff. 6/29/2014, Register 210)

Authority: AS 42.05.141

AS 42.05.151

**3 AAC 52.830. Eligible plant.** (a) Eligible plant for water utilities includes

(1) utility service lines, meters, and hydrants installed as in-kind replacements for customers;

(2) mains and valves installed as replacements for existing facilities that remain in service beyond reasonable service life, are in prematurely deteriorated condition, or are required to be upgraded to meet quality-of-service standards or applicable law;

(3) main extensions installed to eliminate dead ends and to implement solutions to water supply problems that present a significant health or safety concern for customers currently receiving service from the utility;

(4) main replacement, cleaning, and relining projects;

(5) unreimbursed costs related to highway relocation projects where the utility must involuntarily relocate facilities; and

(6) other capitalized costs related to plant described in (1) — (5) of this subsection.

(b) Eligible plant for wastewater utilities includes

(1) collection sewers, collecting mains, and service laterals, including sewer taps, curbstops, and lateral cleanouts, installed as in-kind replacements for customers;

(2) collection mains and valves for gravity and pressure systems and related facilities such as manholes, grinder pumps, air and vacuum release chambers, cleanouts, main line flow meters, valve vaults, and lift stations installed as replacements or upgrades for existing facilities that remain in service beyond reasonable service life, are in prematurely deteriorated condition, or are required to be upgraded to meet quality-of-service standards or applicable law;

(3) collection main extensions installed to implement solutions to wastewater problems that present a significant health or safety concern for customers currently receiving service from the utility;

(4) collection main rehabilitation including inflow and infiltration projects;

(5) unreimbursed costs related to highway relocation projects where a wastewater must relocate its facilities; and

(6) other capitalized costs related to plant described in (1) — (5) of this subsection. (Eff. 6/29/2014, Register 210)

Authority: AS 42.05.141

AS 42.05.151

**3 AAC 52.835. Affiliated transactions.** (a) If an eligible utility includes costs in its eligible capital costs from transactions with affiliated interests, the utility must file the following information with each periodic update of the surcharge rate:

(1) the identity of each affiliated interest;

(2) a description of the relationship between the utility and the affiliated interest;

(3) a list of the products and services provided to the utility by the affiliated interest;

(4) the prices and quantity of products or services provided to the utility by the affiliated interest;

(5) a list of alternative suppliers of the product or services purchased from the affiliated interest; and

(6) if applicable, a report showing which products or services provided to the utility by the affiliated interest are also supplied to other customers by the affiliated interest, including prices and quantities.

(b) The commission may investigate, in a general rate case or a separate formal proceeding, the reasonableness of costs that are associated with affiliated interest transactions that are recovered

through a utility's plant improvement surcharge. In addition to the information required under (a) of this section, upon commencement of a formal investigation, the utility shall file

(1) a description of costs from affiliated interest transactions that the utility proposes to recover, or has recovered, through the plant improvement surcharge;

(2) the computational methodology for the price the utility pays to the affiliated interest for the product or service;

(3) a comparison of the price the utility pays to the affiliated interest with the prevailing market price, if any, and a comparison of other relevant characteristics, including quality and contractual terms and conditions; and

(4) an estimate of the cost the utility would have incurred to furnish the product or service with its own personnel and capital. (Eff. 6/29/2014, Register 210)

Authority: AS 42.05.141

AS 42.05.151

**3 AAC 52.840. Consumer protections.** (a) The plant improvement surcharge rate for wastewater utilities may not exceed five percent of the amount billed to customers under the otherwise applicable tariff rates.

(b) The plant improvement surcharge rate for water utilities may not exceed 7.5 percent of the amount billed to customers under the otherwise applicable tariff rates.

(c) The plant improvement surcharge rate must be reset to zero at the effective date of revised base rates set in a general rate case that incorporates the capital costs previously recovered through the plant improvement surcharge.

(d) The plant improvement surcharge rate may be reset to zero, or another reduced rate that the commission establishes by order, if the commission, based on annual report data or otherwise, and after notice and an opportunity to be heard, finds that the utility's earned rate of return, including surcharge revenues, exceeds the rate of return used to calculate the surcharge rate. (Eff. 6/29/2014, Register 210)

Authority: AS 42.05.141

AS 42.05.151

**3 AAC 52.890. Definitions.** (a) In 3 AAC 52.800 — 3 AAC 52.890, unless the context requires otherwise,

(1) "affiliated interest" has the meaning given in AS 42.05.990;

(2) "capital costs" means depreciation expense, return, and an allowance for taxes associated with utility plant;

(3) "eligible capital costs" means capital costs associated with eligible plant that has become used and useful in public utility service since the eligible water or wastewater utility's last general rate case, or plant that will become used and useful before the next periodic surcharge update, if, in either case, the plant is listed in the

eligible water or wastewater utility's most recent long-term infrastructure improvement and asset optimization plans;

(4) "eligible water or wastewater utility"

(A) means a utility that holds a certificate of public convenience and necessity to provide water or wastewater public utility service and that is not exempt from economic regulation under any provision of AS 42.05.711;

(B) does not include a utility holding a provisional certificate issued under 3 AAC 52.720;

(5) "improve," "improvement," or "improved" means to repair or replace plant, or to modify or adapt plant to enhance its function or longevity;

(6) "quality of service" means the overall ability of a utility to provide and maintain adequate, efficient, safe, reliable, and reasonable service, including compliance with public health and environmental quality standards.

(b) Definitions set out in 3 AAC 48.820 also apply to 3 AAC 52.800 — 3 AAC 52.890. (Eff. 6/29/2014, Register 210)

Authority: AS 42.05.141

AS 42.05.151

### Article 10. Joint Use of Utility Facilities.

**Section**

900. Application and purpose

910. Joint use compensation

920. Elements used in developing annual joint use rate

**Section**

930. Procedure

940. Definitions

**3 AAC 52.900. Application and purpose.** (a) The provisions of 3 AAC 52.900 — 3 AAC 52.940 apply to all utilities included in the definition of "public utility" in AS 42.05.990.

(b) The purpose of 3 AAC 52.900 — 3 AAC 52.940 is to establish a method for reasonable compensation for joint use if a utility owning a pole and another utility fail to agree on compensation for joint use of the pole. An agreement for joint use must be filed with the commission. Absent unusual circumstances, the commission will assert its authority over joint use only if the utilities disagree on the terms of joint use or a joint use agreement, or if the commission has reason to believe that the utilities are not acting in accordance with the intent of AS 42.05. (Eff. 5/8/88, Register 106; am 2/2/2003, Register 165)

Authority: AS 42.05.151

AS 42.05.311

AS 42.05.321

**3 AAC 52.910. Joint use compensation.** (a) The commission will require an attaching utility to compensate a pole-owning utility for joint use of a pole, in an amount comprised of the sum of the following two elements:

(1) the additional costs to the pole-owning utility for modifications or additions required by the attaching utility's joint use of a pole;

(2) an annual amount determined by multiplying the percentage of total usable space on a pole occupied by the attaching utility's facilities times the total annual cost of the jointly used pole.

(b) The formula for reimbursement under (a)(2) of this section is

$$\text{Rate} = \frac{\text{attaching utility's occupied space}}{\text{total useable space}} \times \text{net investment} \times \text{carrying charge ratio}$$

In the formula in this subsection, "net investment" is the pole-owning utility's average net investment per pole when the formula is used to calculate a rate per pole.

(c) A pole-owning utility that maintains separate cost-of-service records for different geographic districts within the pole-owning utility's service territory shall use records from the geographic district in which the joint use poles are located in calculating the joint use compensation rate using the formula in (b) of this section. (Eff. 5/8/88, Register 106; am 2/2/2003, Register 165)

Authority: AS 42.05.151

AS 42.05.311

AS 42.05.321

**3 AAC 52.920. Elements used in developing annual joint use rate.** (a) In the formula in 3 AAC 52.910(b), "total usable space" and "occupied space" are determined from studies performed by the utilities. If a utility does not have acceptable studies of actual usable and occupied space, the commission will apply the following presumptions:

(1) the occupied space for telecommunications pole attachments is one foot;

(2) the total usable space on a pole is 13.5 feet;

(3) the total unusable space on a pole is 24 feet;

(4) the total height of a pole is 37.5 feet.

(b) In the formula in 3 AAC 52.910(b), the average net investment per pole is determined by dividing the gross pole investment, less the associated depreciation reserve and the accumulated deferred income taxes, by the number of poles, and multiplying the total by a bare pole investment factor. The bare pole investment factor is a ratio that reflects the proportionate share of a utility's total net pole investment attributable to investment in bare poles, guys, and anchors, but not cross arms and other appurtenances that are not pole-related. If a utility does not have acceptable studies of the actual proportionate share of net pole investment attributable to bare poles, or an accounting system that separately records investment in appurtenances that are not pole-related, the bare pole investment factor is 0.85 for poles owned by an electric utility and 0.95 for poles owned by a telephone utility.

(c) In the formula in 3 AAC 52.910(b), the carrying charge ratio includes the sum of the following:

(1) the depreciation ratio, which, for poles, is calculated by multiplying the pole depreciation rate by the ratio of gross pole investment to net pole investment;

(2) the tax ratio, which is the ratio of actual taxes paid, except for income taxes, to total net utility plant investment;

(3) the return on investment ratio, which is

(A) the percentage rate of return that the commission most recently authorized for that utility, using either the

(i) weighted cost of debt and equity; or

(ii) actual return on net plant allowed by a different rate-setting methodology; or

(B) for a utility that is not subject to economic regulation within the meaning given in 3 AAC 48.820, a percentage rate of return that is 11.25 percent or the rate of return authorized by the utility's governing board if less than 11.25 percent;

(4) a provision for income taxes, if applicable;

(5) the maintenance ratio, which, for poles, is the ratio of annual maintenance expense for poles to the net pole investment; for electric utility-owned poles, the maintenance expense is determined by dividing the maintenance expense for overhead distribution lines by net plant investment of the associated overhead distribution lines;

(6) the administrative expense ratio, which is the ratio of administrative expense to net utility plant investment. (Eff. 5/8/88, Register 106; am 2/2/2003, Register 165)

Authority: AS 42.05.151 AS 42.05.311 AS 42.05.321

**3 AAC 52.930. Procedure.** If an attaching utility and a pole-owning utility cannot reach agreement on a joint-use issue, including compensation, a complaint may be filed with the commission, and served on the other party, setting out the relevant facts and asking for relief. The other party may file an answer to the complaint within 20 days after service of that complaint. (Eff. 5/8/88, Register 106; am 2/2/2003, Register 165)

Authority: AS 42.05.151 AS 42.05.311 AS 42.05.321

**3 AAC 52.940. Definitions.** Unless the context indicates otherwise, in 3 AAC 52.900 — 3 AAC 52.940,

(1) "administrative expense" means administrative expense as defined in the Uniform System of Accounts prescribed in 3 AAC 48.277 for a pole-owning utility, or as defined in a comparable accounting system if in use by the particular pole-owning utility;

(2) "gross pole investment" includes gross investment for bare distribution poles in the pole accounts in the Uniform System of Accounts prescribed in 3 AAC 48.277 for a pole-owning utility, or in a comparable accounting system if in use by the particular utility;

(3) "maintenance expense" means maintenance expense as de-

defined in the Uniform System of Accounts prescribed in 3 AAC 48.277 for a utility, or as defined in a comparable accounting system if in use by the particular utility;

(4) "pole attachment" means any attachment by a utility to a utility pole;

(5) "usable space" for pole attachments means the space on a pole above the minimum grade level, as set out in the edition of the National Electrical Safety Code adopted in AS 18.60.580, which can be used for the attachment of wires, cables, and associated equipment;

(6) "attaching utility" means a public utility that attaches its facilities to, or places its facilities on, the pole of another utility; "attaching utility" does not include a utility that attaches to its own poles. (Eff. 5/8/88, Register 106; am 2/2/2003, Register 165)

Authority: AS 42.05.151

AS 42.05.311

AS 42.05.321

## Chapter 53. Telecommunications.

### Article

1. Simplified Rate Filing and Jurisdictional Cost Allocation Factor Adjustment Procedures for Local Exchange Carriers (3 AAC 53.010 — 3 AAC 53.140)
2. Alternative Dispute Resolution Procedures for Telecommunications Carrier Disputes (3 AAC 53.180)
3. Procedures for Changing an Authorized Telecommunications Carrier (3 AAC 53.190 — 3 AAC 53.199)
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6. Eligible Telecommunications Carrier Designation (3 AAC 53.400 — 3 AAC 53.499)
7. Criteria for the Provision of Pay-Per-Call Telephone Service (3 AAC 53.500 — 3 AAC 53.599)
8. Criteria for the Provision of Statewide Directory Assistance (3 AAC 53.610 — 3 AAC 53.660)
9. State Telecommunications Modernization Plan (3 AAC 53.700 — 3 AAC 53.720)
10. Public Interest Pay Telephone Service (3 AAC 53.740 — 3 AAC 53.799)
11. Criteria for the Provision of Private Pay Telephone Service (3 AAC 53.800 — 3 AAC 53.899)
12. Regulation of Cable Television (3 AAC 53.900)

### Article 1. Simplified Rate Filing and Jurisdictional Cost Allocation Factor Adjustment Procedures for Local Exchange Carriers.

#### Section

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#### Section

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140. Definitions

**3 AAC 53.010. Applicability, purpose, and waiver.** (a) The provisions of 3 AAC 53.010 — 3 AAC 53.140 apply to all local exchange carriers subject to economic regulation by the commission.

(b) The purpose of 3 AAC 53.010 — 3 AAC 53.140 is

- (1) to implement AS 42.05.381(e) by establishing a simplified rate filing procedure and a range or adjustment of local service rates; and
- (2) to implement AS 42.05.381(f) by establishing a procedure to adjust local service rates for changes in jurisdictional cost allocation factors.

(c) Unless otherwise mandated under AS 42.05, any requirement in 3 AAC 53.010 — 3 AAC 53.140 may be modified or waived, in whole or in part, by order of the commission upon application and a showing

of good cause or on the commission's own motion in accordance with the provisions of 3 AAC 48.805. (Eff. 4/8/93, Register 126)

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

**3 AAC 53.020. General provisions regarding simplified rate filing procedures.** (a) A local service rate adjustment allowed under 3 AAC 53.010 — 3 AAC 53.100 may not exceed a six percent increase in any 12-month period or a cumulative 15 percent increase in a three-year period. For a cost company, the allowed adjustments exclude adjustments for changes in jurisdictional cost allocation factors processed under 3 AAC 53.110 — 3 AAC 53.130.

(b) For good cause shown, the commission will, in its discretion, revoke or deny a local exchange carrier's permission to use simplified rate filing procedures or its authority to adjust rates under the procedures in 3 AAC 53.030 — 3 AAC 53.100.

(c) A local exchange carrier that uses the procedures of 3 AAC 53.010 — 3 AAC 53.140 is not precluded from filing a general rate case under 3 AAC 43.275(a). (Eff. 4/8/93, Register 126)

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

**3 AAC 53.030. Procedural requirements for cost companies.**

(a) A cost company shall provide notice of its intent to adjust its local service rates under the simplified rate filing procedures at the time that it files its annual access charge revenue requirement study with the commission. To implement that intent, the company shall file the supporting information required by 3 AAC 53.040(a) no later than 60 days after commission approval of intrastate access charges based on the study.

(b) A rate adjustment filing under 3 AAC 53.030 — 3 AAC 53.060 is governed by 3 AAC 48.220 — 3 AAC 48.440, except for 3 AAC 48.275(a). (Eff. 4/8/93, Register 126)

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

**3 AAC 53.040. Supporting information for cost companies.**

(a) In addition to the information filed under (b) of this section, the basis of the simplified rate filing procedure for a cost company is the information filed by the company and approved by the commission in the company's annual access charge proceeding.

(b) A cost company using the simplified rate filing procedures to adjust its local service rates shall file with the commission the following information:

(1) a schedule showing the computation and narrative explanation of pro forma adjustments to test year local service operating

revenue and the adjusted amount of local service operating revenues by account;

(2) a schedule showing Universal Service Fund receipts for the test year;

(3) a schedule showing total company operating expenses, operating taxes, and rate base, as approved by the commission in the determination of the company's intrastate access charge revenue requirement, and the amounts of each allocated to local exchange and local private line service for the test year;

(4) a schedule showing the calculation of pro forma income tax on local service operations for the test year;

(5) a calculation of the weighted average cost of debt at the end of the test year;

(6) a schedule showing the cost of capital based on actual capital structure at the end of the test year, which structure may not exceed 50 percent equity, actual weighted cost of debt, and a rate of return on equity of 13.5 percent;

(7) a schedule prepared in accordance with 3 AAC 53.050 showing the computation of local exchange service and local private line service revenue requirements and revenue deficiency or surplus, in both absolute dollars and percentage of revenues subject to rate adjustment for the test year;

(8) a schedule showing the percentage and amount of rate adjustment requested, if different from (7) of this subsection; and

(9) a schedule showing the amount of the proposed rate adjustment to all permanent recurring local rates and charges eligible for the rate adjustment. (Eff. 4/8/93, Register 126)

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

**3 AAC 53.050. Computation of local revenue requirement and rate adjustment for cost companies.** (a) The company shall include the following items in calculating its local service revenue requirement:

(1) all items recorded or properly classified as "Local Network Service Revenues" by Part 32 of the Federal Communications Commission regulations (47 C.F.R. Part 32), as adopted by the commission at 3 AAC 48.277(a)(1) — 3 AAC 48.277 (a)(5), including items properly classified into accounts 5000 — 5069;

(2) all universal Service Fund receipts;

(3) all "Miscellaneous Revenues" that are of a local character or are not directly derived from interexchange, nonregulated, or other sources and are properly classified into accounts 5200 — 5265 by Part 32 of the Federal Communications Commission regulations (47 C.F.R. Part 32), as adopted by the commission at 3 AAC 48.277(a)(1) — 3 AAC 48.277(a)(5); and

(4) any other revenues specified by the commission as local in character.

(b) In computing the local service revenue requirement, only the expenses and investment associated with the local service revenues described in (a) of this section may be assigned to local service.

(c) Uncollectible revenue is allocated to local service based on a study done by the company within one year or less before the filing for rate relief under 3 AAC 53.010 — 3 AAC 53.140 or based on the ratio of local service revenues to total revenues. (Eff. 4/8/93, Register 126)

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

**3 AAC 53.060. Application of rate adjustments for cost companies.** A rate adjustment granted to a cost company under 3 AAC 53.030 — 3 AAC 53.060 is computed separately for local exchange service and local private line service and applied as an across-the-board percentage adjustment to all recurring monthly charges within each of those classifications, including, unless specifically waived by the commission, items with rates established by special contract. However, a rate adjustment under this section may not be applied to directory assistance or public pay telephone charges. (Eff. 4/8/93, Register 126)

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

**3 AAC 53.070. Procedural requirements for average schedule companies.** (a) A rate adjustment filing under 3 AAC 53.070 — 3 AAC 53.100 is governed by 3 AAC 48.220 — 3 AAC 48.440, except for 3 AAC 48.275(a) and 3 AAC 48.430.

(b) An average schedule company seeking to adjust its local service rates shall file the information required by 3 AAC 53.080 no later than 60 days after the filing of its annual report in accordance with AS 42.05.451(b). (Eff. 4/8/93, Register 126)

Authority: AS 42.05.141                      AS 42.05.381                      AS 42.05.421  
AS 42.35.151                      AS 42.05.411                      AS 42.05.431

**3 AAC 53.080. Supporting information for average schedule companies.** (a) In addition to the information filed under (b) of this section, the basis of the simplified rate filing procedure for an average schedule company is the information filed by the company in its annual report under AS 42.05.451(b), with appropriate ratemaking adjustments.

(b) An average schedule company using the simplified rate filing procedures to adjust its local service rates shall file with the commission the following information:

(1) a schedule showing the computation and narrative explana-

tion of pro forma adjustments to test year operating revenues, operating expenses, and rate base;

(2) a schedule showing the computation of a simple average rate base for the test year;

(3) a schedule showing the calculation of pro forma income tax for the test year;

(4) a schedule prepared in accordance with 3 AAC 53.090 showing the computation of total company revenue requirement and revenue deficiency or surplus, in both absolute dollars and percentage of revenues subject to rate adjustment for the test year;

(5) a schedule showing the percentage and amount of rate adjustment requested, if different from (4) of this section;

(6) a schedule showing the amount of the proposed rate adjustment to all recurring permanent tariffed rates and charges for local service;

(7) the audited, reviewed, or compiled financial statements of the company, including opinion and all footnotes, or an affidavit stating that such financial statements are not available; and

(8) a fluctuation analysis explaining any variation of more than 10 percent from the preceding year for each Class B operating account as described in Part 32 of the Federal Communications Commission regulations (47 C.F.R. Part 32) and adopted by the commission at 3 AAC 48.277(a)(1) — (a)(5). A company with less than \$1,000,000 in annual revenues is exempt from this requirement. (Eff. 4/8/93, Register 126)

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

**3 AAC 53.090. Computation of revenue requirement and rate adjustment for average schedule companies.** The revenue requirement and allowable rate adjustment for an average schedule company are computed based on total company regulated results of operations and rate base and a rate of return on simple average rate base of 11 percent, except that nonregulated transactions are excluded. (Eff. 4/8/93, Register 126)

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

**3 AAC 53.100. Application of rate adjustments for average schedule companies.** A rate adjustment granted to an average schedule company under 3 AAC 53.070 — 3 AAC 53.100 is computed and applied as an across-the-board increase to all recurring tariffed charges for local service, including, unless specifically waived by the commission, items with rates established by special contract. However, a rate adjustment under this section may not be applied to directory assistance or public pay telephone charges. (Eff. 4/8/93, Register 126)

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

**3 AAC 53.110. Procedural requirements for changes in jurisdictional cost allocation factors.** (a) A cost company may apply to adjust its local rates to comply with changes in jurisdictional cost allocation factors required by the Federal Communications Commission or the commission by filing the supporting information listed in 3 AAC 53.120.

(b) A filing under 3 AAC 53.110 — 3 AAC 53.130 is governed by 3 AAC 48.220 — 3 AAC 48.440, except for 3 AAC 48.275(a). (Eff. 4/8/93, Register 126)

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

**3 AAC 53.120. Supporting information for changes in jurisdictional cost allocation factors.** To adjust local service rates due to changes in jurisdictional cost allocation factors required by the Federal Communications Commission or the commission, a cost company shall file the following information:

(1) a copy of the Federal Communications Commission order requiring a change in jurisdictional cost allocation factors;

(2) a computation based on the most recent access charge filing of the company approved by the commission, showing the amount of the shift in costs due to changes in jurisdictional cost allocation factors, segregated by service classes or categories, with supporting schedules showing:

(A) the factors used to allocate costs, and the costs allocated, to local service before the change in factors;

(B) the factors used to allocate costs, and the costs allocated, to local service after the change in factors; and

(C) a computation and explanation of the different factors;

(3) a schedule showing the revenue base, consisting of all permanent recurring tariffed and special contract charges for local service, but excluding directory assistance and public pay telephone charges, to which the amount of the change is to be applied; and

(4) a schedule showing the computation of the percentage rate adjustment, calculated by dividing the amount of the change computed in (2) of this section by the amount of revenues to be increased as computed in (3) of this section. (Eff. 4/8/93, Register 126)

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

**3 AAC 53.130. Application of rate adjustments due to changes in jurisdictional cost allocation factors.** A rate adjustment granted to a cost company under 3 AAC 53.110 — 3 AAC 53.130

is computed and applied as an across-the-board increase to all recurring tariffed charges for local service, including, unless specifically waived by the commission, items with rates established by special contract. However, a rate adjustment under this section may not be applied to directory assistance or public pay telephone charges. (Eff. 4/8/93, Register 126)

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

**3 AAC 53.140. Definitions.** (a) Unless the context indicates otherwise, in 3 AAC 53.010 — 3 AAC 53.130

(1) "average schedule company" means a local exchange carrier that does not perform jurisdictional cost separations in accordance with 3 AAC 48.430 and is not required to file with the commission an annual access charge revenue requirement study in accordance with Sections 701 and 702 of the Alaska Intrastate Interexchange Access Charge Manual identified in 3 AAC 48.440;

(2) "cost company" means a local exchange carrier that performs jurisdictional cost separations in accordance with 3 AAC 48.430 and files with the commission an annual access charge revenue requirement study in accordance with Sections 701 and 702 of the Alaska Intrastate Interexchange Access Charge Manual identified in 3 AAC 48.440;

(3) "local service" means all services, both switched and unswitched, offered for sale by a local exchange carrier through its local tariff or special contracts;

(4) "simple average" means the arithmetic mean of beginning-of-year and end-of-year balance sheet accounts or groupings of accounts; and

(5) "Universal Service Fund receipts" means the annual revenues obtained by a local exchange carrier, because its loop costs exceed the national average, from funds administered by the National Exchange Carrier Association and computed in accordance with the provisions of 47 C.F.R. Parts 36 and 69 as required by the Federal Communications Commission.

(b) Definitions contained in 3 AAC 48.820, 3 AAC 52.340, and 3 AAC 52.399 also apply to the defined words as they are used in 3 AAC 53.010 — 3 AAC 53.140. (Eff. 4/8/93, Register 126)

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

**Editor's note:** A copy of the Alaska Intrastate Interexchange Access Charge Manual, referred to in 3 AAC 53.140(a)(1) and (2), is available for inspection at the Regulatory Commission of Alaska, whose address is set out in 3 AAC 48.010(a). A

copy of Parts 36 and 69, 47 C.F.R. 36 and 69, referred to in 3 AAC 53.140(a)(5), may be obtained from the Federal Communications Commission, 1919 M Street, N.W., Washington, D.C. 20554.

A copy is also available for inspection at

the Regulatory Commission of Alaska whose address is set out in 3 AAC 48.010(a).

**Article 2. Alternative Dispute Resolution Procedures for Telecommunications Carrier Disputes.**

**Section**  
180. (Repealed)

**3 AAC 53.180. Alternative dispute resolution procedures for telecommunications carrier disputes.** Repealed. (Eff. 9/1/2002, Register 163; repealed 8/31/2008, Register 187)

**Article 3. Procedures for Changing an Authorized Telecommunications Carrier.**

<b>Section</b>	<b>Section</b>
190. Procedures for changing an authorized telecommunications carrier	199. Definitions

**3 AAC 53.190. Procedures for changing an authorized telecommunications carrier.** (a) The provisions of 47 C.F.R. 64.1100 — 64.1195, revised as of April 2, 2001, are adopted by reference and set out the procedures for changing a subscriber’s authorized intrastate, local exchange, or interstate telecommunications carrier in this state. The procedures adopted by this section also apply to an interstate telecommunications carrier providing international telecommunications service in this state.

(b) Notwithstanding (a) of this section, an intrastate interexchange or local exchange carrier that has not received a certificate of public convenience and necessity from the commission may not solicit, collect, or submit authorization to reassign a subscriber’s access line.

(c) The requirements of (a) and (b) of this section do not apply if a local exchange carrier requests another local exchange carrier to modify the underlying arrangement by which the requesting local exchange carrier provides services to its own existing customers, such as changing service from resale to unbundled loop.

(d) The commission will waive the assessment of penalties or other enforcement action against a telecommunications carrier that complies with carrier-change rules of the Federal Communications Commission that are more recent than those adopted under (a) of this section.

(e) A local exchange, intrastate interexchange, or interstate telecommunications carrier that provides service in this state and files a report with the Federal Communications Commission under 47 C.F.R. 64.1180 shall file a copy of that report with the commission. (Eff. 11/11/2001, Register 160)

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	AS 42.05.800	

Editor's note: A copy of 47 C.F.R. 64.1100 — 1195 referred to in 3 AAC 53.190(a) is available for inspection at the Regulatory Commission of Alaska, 701 W. Eighth Avenue, Suite 300, Anchorage, Alaska. A copy of 47 C.F.R. 64.1190 — 1195 may also be obtained from the Federal Communications Commission, 445 12th Street S.W., Washington, D.C. 20554.

**3 AAC 53.199. Definitions.** Unless defined otherwise in 47 C.F.R. 64.1100 — 64.1195, as adopted by reference in 3 AAC 53.190(a), terms used in 3 AAC 53.190 have the meanings given in 3 AAC 48.820, 3 AAC 52.340, 3 AAC 52.399, and 3 AAC 53.299. (Eff. 11/11/2001, Register 160)

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

#### Article 4. Local Exchange Competition.

Section	Section
200. Applicability of local exchange competition provisions, purpose, and waiver	240. Retail services for which there is a dominant carrier
205. Competitive local exchange markets	243. Retail services for which there is no dominant carrier
210. Local exchange telephone service: certificate of public convenience and necessity	245. Competitive entry rate modification
220. Determination of dominant or nondominant carrier status	250. Wholesale service and rates
230. Discontinuance, suspension, or abandonment of service	260. (Repealed)
	265. Local exchange carriers of last resort
	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 42.05.221                      AS 42.05.711  
                 AS 42.05.151                      AS 42.05.241                      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(44) 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;



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 commission. 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)

<b>Authority:</b>	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 42.05.151  
AS 42.05.221

AS 42.05.241  
AS 42.05.431

AS 42.05.711  
AS 42.05.990

**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(44); 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(44), 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

**Editor's note:** As of Register 202 (July 2012), the regulations attorney made technical revisions under AS 44.62.125(b)(6), to 3 AAC 53.245(a) and (b).

**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 53.260. Changes in local exchange carrier.** Repealed.  
(Eff. 6/21/98, Register 146; repealed 11/11/2001, Register 160)

**3 AAC 53.265. Local exchange carriers of last resort.** (a) A local exchange carrier that is designated as a carrier of last resort

(1) shall provide and maintain adequate, efficient, and safe facilities-based essential retail and carrier-to-carrier telecommunication services of similar quality throughout its carrier of last resort area; and

(2) may not allow any diminution of quality or availability of essential retail and carrier-to-carrier telecommunication services throughout its carrier of last resort area after designation.

(b) The commission will not designate a carrier of last resort in a study area that is not served by a rural telephone company as defined in 47 U.S.C. 153(44). The commission will designate one carrier of last resort for each carrier of last resort area that is in the study area of a rural telephone company as defined in 47 U.S.C. 153(44). Absent a request under (q) of this section, the carrier of last resort area is the same area as the incumbent local exchange carrier's study area.

(c) In a study area that does not include a competitive local exchange market, the incumbent local exchange carrier is designated the carrier of last resort, without the need to file a petition under this section, unless otherwise ordered by the commission.

(d) In a carrier of last resort area identified in (b) of this section that includes one or more competitive local exchange markets, the commission will, by order, designate the incumbent local exchange carrier as the temporary carrier of last resort until the commission selects a permanent carrier of last resort. Upon designation of a temporary carrier of last resort, the commission will open a docket of investigation on its own motion and will, for a period of 30 days, invite notices of intent to file petitions from parties seeking permanent carrier of last resort status for that study area. The designation of a carrier as a temporary carrier of last resort is not a factor in the decision the commission makes on selection of a permanent carrier of last resort in the event of competing applications. If a temporary carrier of last resort is the only carrier to file a notice of intent to file a petition seeking permanent carrier of last resort status, the petition for permanent carrier of last resort status must include the information in (o) of this section. If more than one carrier files a notice of intent, or if a carrier other than the temporary carrier of last resort is the only carrier to file a notice of intent, a petition filed by a carrier for permanent carrier of last resort status must include the information in (p) of this section. If no carrier files a petition to be the permanent carrier of last resort, the commission will, absent a determination of good cause to the contrary, select the temporary carrier as the permanent carrier of last resort.

(e) If the permanent carrier of last resort is unable to perform the duties of a local exchange carrier of last resort for a particular portion

of a carrier of last resort area or throughout the carrier of last resort area, the commission may require a carrier that is not the carrier of last resort to act as the emergency carrier of last resort for essential retail and carrier-to-carrier services. The commission may limit the essential retail services the emergency carrier of last resort must provide. During the period of designation, the emergency carrier of last resort shall receive proportionately the identical level of Alaska Universal Service Fund support as the permanent carrier of last resort receives under 3 AAC 53.350, based on the ratio of the number of retail lines served by the emergency carrier of last resort to the total number of retail lines in the carrier of last resort area. However, if the commission determines that the average cost per line of lines served by the emergency carrier of last resort is materially different from the average cost per line of lines served by the permanent carrier of last resort, the commission may apply an appropriate weighting factor to the support computation. During the period when an emergency carrier of last resort is designated, the permanent carrier of last resort's Alaska Universal Service Fund support shall be reduced by the amount that the emergency carrier of last resort receives under 3 AAC 53.350.

(f) Designation as temporary carrier of last resort under (d) of this section or designation as an emergency carrier of last resort under (e) of this section may not exceed a period of 36 months, unless extended by the commission, after notice, for good cause.

(g) A local exchange carrier of last resort shall provide essential retail and carrier-to-carrier services throughout its carrier of last resort area without reliance on any other carrier network, if all other carriers operating in the area leave the market. However, nothing in this subsection prohibits a local exchange carrier of last resort from continuing to rely on the facilities of an affiliate or other third party that it has historically used to provide essential retail and carrier-to-carrier services in a discrete portion of its carrier of last resort area. Notwithstanding the requirements of this subsection, the commission may allow, after notice and an opportunity for hearing, a local exchange carrier of last resort or carrier of last resort applicant to fulfill its carrier of last resort responsibilities to cover a discrete portion of a carrier of last resort area with facilities owned by a third party or an affiliate, if

(1) essential retail and carrier-to-carrier services have not historically been provided to the specific area through wireline facilities;

(2) the third-party or affiliate facilities are able to provide essential retail and carrier-to-carrier services in accordance with the requirements of this section;

(3) a contract exists between the local exchange carrier of last resort and the third party or affiliate to provide essential retail and carrier-to-carrier services in accordance with the requirements of this section, and to maintain the facilities to the extent necessary for

the local exchange carrier of last resort to meet its carrier of last resort responsibilities and at a similar level of quality as available in the remainder of the study area; and

(4) provision of carrier of last resort service using third-party or affiliate facilities is consistent with the public interest.

(h) Notwithstanding (g) of this section, the commission, for good cause and after notice and an opportunity for hearing, may revoke a local exchange carrier of last resort's ability to meet its carrier of last resort responsibilities using the facilities of a third party or an affiliate, and may require a carrier of last resort to provide service by another means.

(i) A local exchange carrier of last resort shall offer each of the following essential retail services using its own facilities within each exchange of its carrier of last resort area and as part of any extended area service arrangement:

- (1) two-way, voice grade access to the public switched network;
- (2) unlimited local calling;
- (3) dual-tone multi-frequency signaling or its functional equivalent;
- (4) single-party service or its functional equivalent;
- (5) private line service or its functional equivalent;
- (6) access to emergency services;
- (7) access to operator services;
- (8) access to interexchange services;
- (9) special access;
- (10) access to directory assistance;
- (11) toll-blocking limitation for qualifying low-income customers;
- (12) lifeline and link up services;
- (13) special construction;
- (14) provision of service to subdivisions;
- (15) line extension services;
- (16) substitute services to the customers of a failing competitor, if directed by the commission;
- (17) other services that the commission determines to be in the public interest.

(j) A local exchange carrier of last resort shall offer, upon reasonable request, each of the following essential carrier-to-carrier services within each exchange of its carrier of last resort area and as part of any extended area service arrangement:

- (1) local private line service, or its functional equivalent;
- (2) intrastate access services;
- (3) interstate access services;
- (4) resale of retail services;
- (5) other services as may be required under federal law or by the commission, after notice and an opportunity for hearing.

(k) A local exchange carrier of last resort shall have a line extension policy in its effective tariff or, in the case of a carrier of last resort not

subject to economic regulation by the commission, approved by its governing body. The carrier's line extension policy

- (1) may not unduly discourage customers from obtaining service;
- (2) may not unduly impact existing customers for the cost of serving prospective remotely located customers; and
- (3) must adequately take into consideration universal service support payments to the carrier, including the potential for cost of construction to be paid in part or in whole through universal service support.

(l) Notwithstanding (k) of this section, a local exchange carrier of last resort may not charge a line extension fee to a customer where a line extension would be reasonably profitable without a line extension fee and taking into consideration universal service support payments to the carrier.

(m) No later than 14 business days after denying a request for service, a local exchange carrier of last resort shall submit, to the commission's staff with oversight of consumer protection, a report regarding the denial of the request for service. The report must include

- (1) a detailed explanation of why the service request was determined unreasonable; and
- (2) a preliminary cost estimate if the service request was for a line extension.

(n) After designating a permanent carrier of last resort under (d) of this section, the commission may, upon petition or its own motion, after notice and an opportunity for hearing, withdraw a carrier's permanent carrier of last resort designation and reassign it to a carrier that is an eligible telecommunications carrier in the carrier of last resort area, if

- (1) the commission finds that
  - (A) the current carrier of last resort
    - (i) is financially or technically unable to provide carrier of last resort services in a carrier of last resort area; or
    - (ii) has failed to provide all required essential retail and carrier-to-carrier services throughout the carrier of last resort area; and
  - (B) withdrawal is in the public interest; or
- (2) an alternative carrier petitions under (r) of this section to replace the designated carrier of last resort and the commission approves the petition.

(o) If a temporary carrier of last resort is the only carrier to file a notice of intent under (d) of this section, a petition filed by a temporary carrier of last resort proposing to be designated as permanent carrier of last resort must include

- (1) the petitioning carrier's legal name, name under which business is conducted, and address;
- (2) the name, title, and telephone number of the individual who is the liaison with the commission regarding the request;
- (3) a description of the proposed carrier of last resort area; and

(4) a sworn statement by an officer of the carrier that the carrier fulfills all of the requirements imposed under this section on a local exchange carrier of last resort and that the carrier will continue to fulfill those requirements.

(p) If more than one carrier files a notice of intent under (d) of this section, or if a carrier other than the temporary carrier of last resort is the only carrier to file a notice of intent under (d) of this section, a petition filed by a carrier proposing to be designated as carrier of last resort must include

(1) the petitioning carrier's legal name, name under which business is conducted, and address;

(2) the name, title, and telephone number of the individual who is the liaison with the commission regarding the request;

(3) a legal description by township and range of the proposed carrier of last resort area;

(4) one or more maps of the proposed carrier of last resort area in sufficient geographic detail to confirm the legal description in township and range of the proposed carrier of last resort area, or a statement that those maps are on file with the commission as they are identical to the incumbent carrier's certificated service area; if the incumbent carrier is the incumbent for more than one study area per certificated service area, the petitioning carrier must clearly identify the proposed carrier of last resort area;

(5) a map of the carrier's network and verification that services are provided over the carrier's own facilities, with the map showing the proposed carrier of last resort area boundary;

(6) a description of the carrier's major network facilities by exchange within the proposed carrier of last resort area;

(7) a demonstration that the petitioning carrier

(A) occupies, in the market for local telephone exchange service within the carrier of last resort area under petition, a position that is comparable to the position occupied by the existing carrier of last resort; and

(B) can provide the essential retail and carrier-to-carrier services required of a local exchange carrier of last resort upon designation or with minimal facility upgrade;

(8) a demonstration that the petitioning carrier is committed and able to meet the requirements imposed under this section on a local exchange carrier of last resort in the proposed carrier of last resort area upon designation or with minimal facility upgrade; and

(9) an explanation why granting the petition for carrier of last resort status

(A) is consistent with the public interest and with public convenience and necessity; and

(B) advances universal service principles under 47 U.S.C. 254(b) based on the ubiquity of service, quality of service, extent to which the petitioning carrier relies on the facilities of another

carrier, cost of operating the petitioning carrier's network, and other relevant factors.

(q) A petitioning carrier may petition for a carrier of last resort area that is less than the temporary or permanent carrier of last resort's entire study area, but not including partial exchanges, if the temporary or permanent carrier of last resort has disaggregated its federal high-cost support under 47 C.F.R. 54.315 and has deaveraged its local or access rates. The petitioning carrier must show that designating an area that is less than the entire study area is in the public interest and advances universal service principles under 47 U.S.C. 254(b).

(r) The commission will accept a petition under (n)(2) of this section to replace the permanent carrier of last resort only after the carrier of last resort has been so designated for a period of five years. A carrier must file, 90 days before filing that petition, a notice of intent to file a petition to replace the permanent carrier of last resort. The commission will issue a notice of the filing of a notice of intent to file a petition, and will set deadlines for comments.

(s) The commission will open an investigation on its own motion if it receives a petition filed under (r) of this section. In the initiating order, the commission will

(1) invite the existing carrier of last resort to file a competing petition to remain the carrier of last resort for that carrier of last resort area;

(2) invite other carriers wishing to be designated as a carrier of last resort to file competing petitions to become the carrier of last resort for that carrier of last resort area;

(3) establish a deadline for the filing under (1) and (2) of this subsection of competing petitions; those petitions must include the information required under (p) of this section; and

(4) provide an opportunity for the petitioning carrier to update, on or before the deadline set under (3) of this subsection, the information filed in the carrier's petition.

(t) A petition by a carrier of last resort to discontinue, suspend, abandon, or diminish the quality of essential retail and carrier-to-carrier services in any portion of its carrier of last resort area must

(1) include a plan to transfer customers to another carrier that is fit, willing, and capable of functioning as a local exchange carrier of last resort in that portion of the carrier of last resort area or a demonstration that continued service to that portion of the carrier of last resort area is no longer in the public interest;

(2) include a demonstration of why the relief requested is in the public interest and will not result in a diminution of essential retail and carrier-to-carrier services to the public;

(3) be filed at least six months before the date proposed for the discontinuance, suspension, abandonment, or diminution, if another facilities-based carrier is fit, willing, and capable of immediately serving the exiting carrier's customer base; and

(4) be filed at least 18 months before the date proposed for the discontinuance, suspension, abandonment, or diminution, if no other facilities-based carrier is fit, willing, and capable of immediately serving the exiting carrier's customer base.

(u) A local exchange carrier of last resort may not discontinue, suspend, abandon, or diminish the quality of essential retail and carrier-to-carrier services in any portion of its carrier of last resort area until

(1) the commission finds that the public interest requires the modification, termination, or transfer of the carrier of last resort designation;

(2) the commission has designated, by order, an alternative carrier of last resort, if necessary to ensure continued carrier of last resort service;

(3) the alternative carrier of last resort is meeting, throughout the carrier of last resort area, the requirements imposed under this section on a local exchange carrier of last resort, including provision of essential retail and carrier-to-carrier services; and

(4) the commission issues an order withdrawing carrier of last resort status.

(v) Nothing in this section relieves a carrier from compliance with the requirements of AS 42.05. (Eff. 7/31/2011, Register 199)

Authority:	AS 42.05.141	AS 42.05.261	AS 42.05.291
	AS 42.05.145	AS 42.05.271	AS 42.05.301
	AS 42.05.151		

Editor's note: As of Register 202 (July 2012), the regulations attorney made technical revisions under AS 44.62.125(b)(6), to 3 AAC 53.265(b).

**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) Repealed 7/31/2011.

(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; am 7/31/2011, Register 199)

<p><b>Authority:</b> AS 42.05.141 AS 42.05.151</p>	<p>AS 42.05.221 AS 42.05.241</p>	<p>AS 42.05.711 AS 42.05.990</p>
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**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 in all locations where the carrier offers intrastate interexchange service on a 1-plus direct-dialed 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; am 10/6/2013, Register 208)

Authority: AS 42.05.141  
AS 42.05.145

AS 42.05.151  
AS 42.05.291

AS 42.05.800

**3 AAC 53.299. Definitions.** In 3 AAC 53.200 — 3 AAC 53.299, unless the context requires otherwise,

(1) “access to directory assistance” means access to a service that includes making available to customers, upon request, information contained in directory listings;

(2) “access to emergency services” includes access to 911 and enhanced 911 services to the extent that, in a carrier of last resort area, a local government or other public safety organization has implemented 911 or enhanced 911 service; in this paragraph,

(A) “911” means a service that permits a telecommunications user, by dialing the three-digit code “911,” to call emergency services through a public service access point operated by the local government or other public safety organization;

(B) “enhanced 911” means 911 service that includes the ability to provide

(i) automatic numbering information to enable the public service access point to call back if the call is disconnected; and

(ii) automatic location information to permit emergency service providers to identify the geographic location of the calling party;

(3) “access to interexchange services” means the use of the loop, as well as that portion of the switch that is paid for by the end user, or the functional equivalent of these network elements in the case of a wireless carrier, that are necessary to access an interexchange carrier’s network;

(4) “access to operator services” means access to any automatic or live assistance to a consumer to arrange for billing or completion, or both, of a telephone call;

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

(6) “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;

(7) “business day” means a day other than Saturday, Sunday, or a state holiday;

(8) “carrier of last resort area” means the geographic area for which a local exchange carrier is designated a carrier of last resort;

(9) “commission” means the Regulatory Commission of Alaska;

(10) “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;

(11) “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;

(12) "dominant carrier" means a local exchange carrier that the commission designates under 3 AAC 53.220 as a dominant carrier for a service;

(13) "dual-tone multi-frequency signaling or its functional equivalent" means a method of signaling that facilitates the transportation of signaling through the network, shortening call set-up time;

(14) "economic regulation" has the meaning given in 3 AAC 48.820;

(15) "eligible telecommunications carrier" means a carrier that is designated as an eligible telecommunications carrier by the commission under 47 U.S.C. 214(e) and 3 AAC 53.400 — 3 AAC 53.499;

(16) "exchange" or "local exchange" has the meaning given in 3 AAC 48.820;

(17) "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;

(18) "interexchange carrier" means a carrier certificated by the commission to provide intrastate interexchange telephone service;

(19) "lifeline" has the meaning given in 47 C.F.R. 54.401;

(20) "line extension" has the meaning given in 3 AAC 48.820;

(21) "link up" has the meaning given in 47 C.F.R. 54.411;

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

(23) "noncompetitive areas" means one or more areas that are not designated as a competitive local exchange market;

(24) "nondominant carrier" means a local exchange carrier other than a dominant carrier;

(25) "private line" means a service that provides dedicated circuits, predefined transmission paths, whether virtual or physical, or equivalent arrangements that allow for the provision of communications between predetermined specific customer locations;

(26) "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;

(27) "single-party service or its functional equivalent" means telecommunications service that permits users to have

(A) exclusive use of a wireline subscriber loop or access line for each call placed; or

(B) in the case of wireless telecommunications carriers, a dedicated message path for the length of a user's particular transmission;

(28) "special access" has the meaning given in section 801(ff) of the *Alaska Intrastate Interexchange Access Charge Manual*, adopted by reference in 3 AAC 48.440;

(29) "special construction" means one or more of the following types of construction:

(A) construction of facilities to provide services or channels for the customer when there is no other requirement for the facilities so constructed;

(B) construction of channel facilities of a type other than that which the carrier would otherwise utilize in order to provide services or channels for the customer;

(C) construction of facilities to meet requirements specified by the customer that involves a route other than that which the carrier would normally utilize in order to provide services or channels;

(30) "study area" has the meaning given in 3 AAC 53.499;

(31) "toll-blocking limitation for qualifying low-income customers" has the meaning given "toll limitation for qualifying low-income consumers" in 47 C.F.R. 54.101(a);

(32) "unaffiliated" means not an affiliate;

(33) "voice grade access to the public switched network" means a functionality

(A) that enables a user of telecommunications services to

(i) transmit voice communications, including signaling the network that the caller wishes to place a call; and

(ii) receive voice communications, including receiving a signal indicating there is an incoming call; and

(B) with a minimum bandwidth of 300 — 3,000 Hertz;

(34) "1-plus" has the meaning given in 3 AAC 52.399. (Eff. 6/21/98, Register 146; am 4/24/2004, Register 170; am 8/27/2004, Register 171; am 9/16/2005, Register 175; am 7/31/2011, Register 199; am 10/6/2013, Register 208)

Authority: AS 42.05.141  
AS 42.05.145

AS 42.05.151  
AS 42.05.291

AS 42.05.800  
AS 42.05.990

## Article 5. Universal Service Fund.

### Section

300. Applicability, finding, purpose, and waiver

310. Approval of administrator; withdrawal of approval; bonding

### Section

320. Budget approval; administrative costs

330. Reports, audits, and separation of money

<b>Section</b>	<b>Section</b>
340. Universal service surcharge	390. Lifeline and link up eligibility
345. Local exchange carrier of last resort support and rate cap increase	399. Definitions
350. Disbursements of the AUSF	

**3 AAC 53.300. Applicability, finding, purpose, and waiver.**

(a) The provisions of 3 AAC 53.300 — 3 AAC 53.399 apply to all public utilities that provide intrastate telecommunications service in this state.

(b) The purpose of 3 AAC 53.300 — 3 AAC 53.399 is

(1) to

(A) promote the efficiency, availability, and affordability of universal telephone service in this state through the establishment of the Alaska Universal Service Fund (AUSF);

(B) recalculate the rates and charges of intrastate telecommunications utilities so as to make explicit any subsidies that have previously been implicit; and

(C) implement state participation in federal programs for the support of universal service under 47 U.S.C. 254 of the Federal Communications Act, as amended by the Telecommunications Act of 1996 (P.L. 104-104); and

(2) not to raise revenue for the maintenance of government service offered to the general public.

(c) For good cause shown, the commission will, in its discretion, waive the application of all or any portion of 3 AAC 53.300 — 3 AAC 53.399 to a public utility providing intrastate telecommunications service. If a waiver is granted under this subsection, the commission will establish, by order, appropriate criteria on a case-by-case basis for the public utility that received the waiver. (Eff. 1/10/99, Register 149)

<b>Authority:</b> 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		

**3 AAC 53.310. Approval of administrator; withdrawal of approval; bonding.** (a) To serve as an administrator of the AUSF, the applicant must be approved by the commission. The commission will approve the selection of an administrator of the AUSF, if the applicant meets the requirements of this section.

(b) To be approved under this section, an applicant for the administrator must

(1) be able to operate the AUSF in a neutral and impartial manner;

(2) have the skills to bill, collect, and distribute large financial sums on a monthly basis; and

(3) provide documentation of the ability to obtain and maintain a bond in the amount ordered by the commission in an amount equal to three months of estimated payments into the AUSF.

(c) If more than one applicant applies under (a) of this section, the commission will, in its discretion, approve the applicant who meets the qualifications of (b) of this section and is best able to administer the AUSF.

(d) The commission will, in its discretion, withdraw its approval of the administrator if good cause is shown or the commission determines that the approval is no longer in the best interests of the AUSF.

(e) If approved, the administrator must immediately provide to the commission documentation of obtaining the bond described in (b) of this section. The administrator must immediately notify the commission if the bond is no longer

- (1) sufficient to meet the requirements of this section; or
- (2) effective. (Eff. 1/10/99, Register 149)

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		

**3 AAC 53.320. Budget approval; administrative costs.** (a) In order to meet the requirements of AS 42.05.800 — AS 42.05.890, the budget for administrative costs, including compensation of the administrator, must be approved by the commission.

(b) No later than October 1 of each year, the administrator shall submit the proposed budget described in (a) of this section to the commission for approval for the following year.

(c) The commission will only approve the proposed budget described in (a) of this section, if the commission finds that the proposed budget is reasonable and in the public interest.

(d) To maintain approval of the budget by the commission, payment for the administrator's compensation may not exceed the amount specified in the budget approved by the commission.

(e) The administrative costs approved by the commission shall be included, along with the estimated amount of universal service support disbursement from the AUSF, in the calculation of the universal service surcharge factor described in 3 AAC 53.340. (Eff. 1/10/99, Register 149; am 7/31/2011, Register 199)

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		

**3 AAC 53.330. Reports, audits, and separation of money.** (a) To maintain approval under 3 AAC 53.310,

(1) the administrator shall keep the amount allocated for universal service support in the AUSF in an account separate from other money under the control of the administrator;

(2) the AUSF and the accounting practices of the administrator are subject to a yearly audit by an independent accounting firm and

may be subject to an additional audit during the year by the commission, if ordered by the commission; the AUSF and the accounting practices of the administrator are subject to a close-out audit at the end of the administrator's term;

(3) the administrator shall report annually to the commission an itemization of monthly administrative costs, including expenses, receipts, and payments associated with the administration of the AUSF; the administrator shall provide the commission full access to the data collected under or prepared through the administration of the AUSF;

(4) the administrator shall report quarterly to the commission on the disbursement of money from the AUSF along with any recommended changes to the universal service surcharge factor; the administrator shall keep separate accounts for the universal service surcharge collected and universal service support disbursed; and

(5) at the request of the commission, the administrator may audit one or more public utilities required to pay the universal service surcharge and one or more public utilities that have received disbursements from the AUSF; the administrator shall establish procedures to verify universal service surcharge payments in to the AUSF and universal service support disbursed from the AUSF; the administrator may suspend or delay disbursements for universal service support to a public utility if that utility fails to adequately verify the amount of universal service support claimed, or if the commission issues an order to suspend or delay disbursement.

(b) The commission will provide to the public a monitoring report at least once a year on the administrator's reports under this section. (Eff. 1/10/99, Register 149)

<p><b>Authority:</b> AS 42.05.141                  AS 42.05.145                  AS 42.05.151</p>	<p>AS 42.05.431                  AS 42.05.711</p>	<p>AS 42.05.800                  AS 42.05.840</p>
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**3 AAC 53.340. Universal service surcharge.** (a) A public utility that provides intrastate telecommunications service to the public, or to those classes of users as to be effectively available to the public for a fee, shall pay a universal service surcharge to the AUSF. The public utility must pay the surcharge on its annual gross revenues that are generated from end users on the following intrastate telecommunications services and charges:

- (1) cellular telephone and paging services;
- (2) mobile radio services;
- (3) operator services;
- (4) personal communications services (PCS);
- (5) special access service;
- (6) wide area telecommunications service (WATS);
- (7) toll-free service;
- (8) 900 service;

- (9) message telephone service (MTS);
- (10) private line service;
- (11) telex;
- (12) telegraph;
- (13) video services;
- (14) satellite service;
- (15) resale of intrastate services;
- (16) pay phone services;
- (17) local exchange services;
- (18) the network access fee assessed on end users in accordance with section 109 of the *Alaska Intrastate Interexchange Access Charge Manual*, adopted by reference in 3 AAC 48.440.

(b) Notwithstanding (a) of this section, a public utility providing intrastate telecommunications services in the form of open video systems (OVS), cable leased access, or direct broadcast satellite (DBS) services is not required to pay the universal service surcharge.

(c) A public utility providing a service for which a universal service surcharge payment is due shall provide to the administrator a verified accounting of its annual gross revenues from intrastate end users. The accounting shall be submitted on a form designated by order of the commission as the AUSF Worksheet. The public utility shall submit the completed AUSF Worksheet to the administrator twice a year. The first AUSF Worksheet is due March 31 of each year, containing data for the prior calendar year. The second AUSF Worksheet is due September 1, of each year, containing data for the six-month period from January 1 through June 30 for the current calendar year. If a public utility's payments to the AUSF in a calendar year would be less than \$100, that public utility is not required to submit a payment or the AUSF Worksheets for that calendar year, unless the public utility has received universal service support from the AUSF in that calendar year.

(d) By October 1 of each year, the administrator shall calculate a proposed budget for the estimated total amount of the universal service support payment that will be needed from the AUSF for the following calendar year and for the administrative costs anticipated to be approved by the commission. The administrator shall recommend the annual universal service surcharge factor for the following year to cover the proposed budget. The universal service surcharge factor is calculated based on the ratio of the total estimated amount of disbursements for the AUSF to the total annual gross revenues from intrastate end users subject to the universal service surcharge. The administrator shall recommend to the commission adjustments to the universal service surcharge factor on a quarterly basis, as necessary, as described in 3 AAC 53.330. The recommended universal service surcharge factor and adjustments must be approved by the commission, before implementation by the administrator.

(e) A public utility subject to the universal service surcharge under this section shall remit its monthly universal service surcharge pay-

ment to the administrator of the AUSF within 15 days after the end of each calendar month.

(f) The administrator must hold universal service surcharge payments required from the AUSF in excess of disbursements for a current month in a low-risk interest bearing account and use the excess for disbursements under 3 AAC 53.300 — 3 AAC 53.399 in a following month. (Eff. 1/10/99, Register 149; am 1/30/99, Register 149; am 7/31/2011, Register 199)

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		

**3 AAC 53.345. Local exchange carrier of last resort support and rate cap increase.** (a) Except as provided in (h) of this section, if a local exchange carrier is designated, under 3 AAC 53.200 — 3 AAC 53.299, a carrier of last resort, and if that carrier is a nonpooling company, the carrier is eligible for carrier of last resort support from the AUSF to offset the shortfall in carrier common line (CCL) revenue below the carrier of last resort's supported CCL revenue requirement. If the carrier of last resort is a nonpooling company, but was previously a pooling company, the supported CCL revenue requirement for the carrier is the CCL revenue requirement from which the carrier's CCL rate cap was determined. If the carrier is a nonpooling company, and was not previously a pooling company,

(1) the carrier must support the proposed supported CCL revenue requirement with a filing

(A) in accordance with the *Alaska Intrastate Interexchange Access Charge Manual*, adopted by reference in 3 AAC 48.440; and

(B) submitted with the carrier's first tariff filing for carrier of last resort support under (c) of this section; and

(2) the supported CCL revenue requirement for the carrier may not exceed, on a per-line basis, the CCL revenue requirement of a carrier of last resort that is a nonpooling company, but that was previously a pooling company.

(b) A local exchange carrier of last resort that is a nonpooling company, that faces local exchange competition, and that has a CCL rate cap less than the network access fee (NAF) established under section 109 of the *Alaska Intrastate Interexchange Access Charge Manual*, adopted by reference in 3 AAC 48.440, is eligible for an increase in the carrier's CCL rate cap for the sole purpose of increasing the carrier's NAF rate up to the currently effective NAF limit so as to allow additional NAF revenues to offset, in whole or in part, the shortfall in CCL revenue below the supported CCL revenue requirement. The supported CCL revenue requirement is not changed even though a carrier is eligible for a CCL rate cap increase under this subsection.

(c) A local exchange carrier of last resort seeking to initiate, renew, or modify its total carrier of last resort support amount, or to increase a CCL rate cap as provided under (b) of this section, must submit a tariff advice letter in accordance with 3 AAC 48.220, 3 AAC 48.240, and 3 AAC 48.270.

(d) The carrier of last resort support amount approved by the commission under this section remains in effect for one year and will not be automatically renewed.

(e) A tariff filing under (c) of this section must specify the CCL rate cap increase, the NAF rate change, and the carrier of last resort support amount being sought, and must provide a calculation of the shortfall in CCL revenue below the carrier of last resort's supported CCL revenue requirement. The shortfall in CCL revenue is determined by subtracting the carrier of last resort's combined CCL revenue from the carrier of last resort's supported CCL revenue requirement. The combined CCL revenue is the carrier of last resort's annualized revenue from the NAF and the CCL rate element, determined by multiplying the revenue generated for a recent three-month period by four. The calculation must impute any increase in NAF revenue associated with a proposed increase in the NAF rate for purposes of determining the proposed carrier of last resort support.

(f) If a local exchange carrier of last resort has a CCL rate cap greater than or equal to the NAF established under section 109 of the *Alaska Intrastate Interexchange Access Charge Manual*, adopted by reference in 3 AAC 48.440, the carrier of last resort shall receive carrier of last resort support equal to the shortfall calculated under (e) of this section.

(g) If a local exchange carrier of last resort has a CCL rate cap less than the NAF established under section 109 of the *Alaska Intrastate Interexchange Access Charge Manual*, adopted by reference in 3 AAC 48.440, the CCL rate cap and NAF for the carrier of last resort shall be increased up to the currently effective NAF limit, to the extent necessary to recover the shortfall. If any shortfall remains after the increase to the CCL rate cap, the carrier of last resort shall receive carrier of last resort support equal to the remaining shortfall.

(h) Notwithstanding (a), (b), (f), and (g) of this section or the provisions of 3 AAC 53.265, the commission upon a petition or on its own motion may withdraw carrier of last resort status or may terminate carrier of last resort support provided to a local exchange carrier serving a portion or all of the study area if the commission determines after notice and hearing that a local exchange carrier of last resort is no longer needed in that area due to competitive market conditions or other relevant factors.

(i) After investigation and opportunity for hearing, the commission may reduce a carrier's carrier of last resort support

(1) if all or a part of the support is being used for an unreasonable purpose;

(2) if federal support becomes available that fills the same or a similar purpose as carrier of last resort support; or

(3) for good cause.

(j) In this section,

(1) "CCL" means carrier common line;

(2) "NAF" means network access fee. (Eff. 7/31/2011, Register 199)

Authority:	AS 42.05.141	AS 42.05.311	AS 42.05.431
	AS 42.05.145	AS 42.05.321	AS 42.05.830
	AS 42.05.151	AS 42.05.381	AS 42.05.840
	AS 42.05.291		

**3 AAC 53.350. Disbursements of the AUSF.** (a) The administrator shall disburse on a monthly basis money approved by the commission from the AUSF for universal service support eligible in the current month for

(1) dial equipment minute (DEM) weighting;

(2) lifeline program;

(3) public interest pay telephones designated under 3 AAC 53.740 — 3 AAC 53.799;

(4) local exchange carrier of last resort support; and

(5) carrier common line support provided under (c) of this section and under sections 104 and 105 of the *Alaska Intrastate Interexchange Access Charge Manual*, adopted by reference in 3 AAC 48.440.

(b) The commission will determine the universal service support required for the DEM weighting for a pooling company as part of the annual access charge process for a pooling company. The universal service support required for DEM weighting for an eligible nonpooling company is determined at the time that the eligible nonpooling company exits the pool and is based upon that company's most recent access revenue requirement. The administrator shall make a disbursement of universal service support for DEM weighting monthly to each eligible nonpooling company. The administrator shall disburse to a pooling company one-twelfth of its universal service support for DEM weighting each month. The administrator shall calculate and disburse the amount of universal service support for DEM weighting for a nonpooling company by distributing to each eligible telecommunications carrier within a study area the proportionate share of the universal service support for DEM weighting for that study area based upon the telecommunications carrier's percentage of reported number of access lines for that study area for that month.

(c) The administrator shall provide support to reduce the intrastate carrier common line access charge rate element. The administrator shall provide support in an amount sufficient to reduce the carrier common line charge to zero. The support shall be provided directly on a monthly basis to the local exchange carrier.

(d) The administrator shall provide support for the lifeline program in an amount sufficient to maximize the federal contribution for the

lifeline program. The administrator shall disburse each month to each eligible telecommunications carrier an amount equal to the necessary state contribution per line times the monthly number of qualifying local customers in the lifeline program.

(e) In the case of a shortage in the AUSF in a particular month, the administrator shall disburse the AUSF in the following order of priority:

- (1) administrative costs;
- (2) universal service support eligible in a prior month but not paid in that month;
- (3) universal service support eligible in a current month for the lifeline program;
- (4) universal service support eligible in a current month for local exchange carrier of last resort support;
- (5) universal service support eligible in a current month to reduce the carrier common line rate element paid by interexchange carriers;
- (6) universal service support eligible in a current month for public interest pay telephones designated under 3 AAC 53.740 — 3 AAC 53.799;
- (7) universal service support eligible in a current month for dial equipment minute (DEM) weighting.

(f) Money for public interest pay telephones designated under 3 AAC 53.740 — 3 AAC 53.799 must be disbursed as provided in 3 AAC 53.760. (Eff. 1/10/99, Register 149; am 1/11/2001, Register 157; am 7/31/2011, Register 199)

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		

**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;
- (9) "exchange" or "local exchange" has the same meaning given in 3 AAC 48.820;
- (10) "local exchange carrier" has the meaning given in 3 AAC 53.299;
- (11) "study area" has the meaning given in 3 AAC 53.499. (Eff.

1/10/99, Register 149; am 1/28/2005, Register 173; am 7/31/2011, Register 199)

**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 6. Eligible Telecommunications Carrier Designation.

Section	Section
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### 3 AAC 53.400. Applicability, finding, purpose, and waiver.

(a) The provisions of 3 AAC 53.400 — 3 AAC 53.499 apply to a common carrier seeking to obtain or maintain designation as an eligible telecommunications carrier under 47 U.S.C. 214(e)(2).

(b) The purpose of 3 AAC 53.400 — 3 AAC 53.499 is to establish requirements for a common carrier requesting or seeking to maintain designation as an eligible telecommunications carrier in the state.

(c) For good cause shown, the commission by order may waive any portion of 3 AAC 53.400 — 3 AAC 53.499 for a common carrier requesting or seeking to maintain designation as an eligible telecommunications carrier. A waiver granted under this subsection may be conditioned upon the common carrier fulfilling requirements not stated in 3 AAC 53.400 — 3 AAC 53.499. (Eff. 7/12/2009, Register 191)

**Authority:** AS 42.05.141                      AS 42.05.145                      AS 42.05.151

**3 AAC 53.410. Designation of eligible telecommunications carriers.** (a) A common carrier seeking designation as an eligible telecommunications carrier must file, for each study area or portion of a study area where eligible telecommunications carrier designation is sought, a request that includes

(1) the common carrier's legal name, name under which business is conducted, and address;

(2) the name, title, and telephone number of the individual who is the liaison with the commission regarding the request;

(3) a legal description by township and range of the proposed eligible telecommunications carrier service area;

(4) one or more maps of the proposed eligible telecommunications carrier service area, in hard copy and electronic format, that are legible and provide

(A) sufficient geographic detail to confirm the legal description in township and range of the proposed eligible telecommunications carrier service area;

(B) sufficient geographic detail to confirm the legal description in township and range of the study area of any incumbent local exchange carrier providing service in the proposed eligible telecommunications carrier service area, including exchange area boundaries;

(C) the common carrier's current coverage area and authorized service area, including material geographic obstacles;

(D) the common carrier's proposed coverage area by technology, including material geographical obstacles to serving the proposed coverage area; and

(E) the coverage area of any carrier whose services will be resold;

(5) a certification that the common carrier is

(A) capable of providing the supported services in the eligible telecommunications carrier service area upon designation; and

(B) committed to providing the supported services throughout the eligible telecommunications carrier service area in accordance with (7) of this subsection;

(6) a detailed explanation of how the common carrier is capable of and proposes to provide each supported service throughout the eligible telecommunications carrier service area; the explanation must include by wire center area

(A) the technology to be deployed;

(B) the supported services to be provided through resale of another carrier's services, if any;

(C) any limitations on the ability to provide supported services upon designation; and

(D) any federal waivers of requirements applicable to the provision of emergency services;

(7) a commitment to

(A) provide service on a timely basis to requesting customers throughout the common carrier's eligible telecommunications carrier service area using its own facilities or a combination of its own facilities and resale in accordance with the common carrier's network deployment plan filed under 3 AAC 53.420 and revised under 3 AAC 53.460(a)(1); and

(B) file a report in accordance with 3 AAC 53.460(a)(3) of any instance in which the carrier is unable to fulfill a customer request for service;

(8) a description of what facilities will be used to deliver supported services in the proposed eligible telecommunications carrier service

area, including a description of the common carrier's existing facilities by wire center area;

(9) a description of authorities, licenses, and interconnection, resale, and other agreements that enable the common carrier to provide the supported services throughout the proposed eligible telecommunications carrier service area, including the docket of any related commission proceedings;

(10) a detailed description of how universal service support will be used, including the information required by 3 AAC 53.420;

(11) a certification that the common carrier will, within 90 days after designation and annually thereafter, advertise in a medium of general distribution the availability of and charges for supported, lifeline, and link up services throughout the eligible telecommunications carrier service area;

(12) a certification that the common carrier has and will continue to take steps to remain functional in emergency situations by

(A) maintaining at least eight hours of backup power to ensure functionality without local alternating current (AC) commercial power;

(B) establishing to the extent feasible the ability to reroute traffic around damaged facilities and to manage traffic spikes resulting from emergency situations; and

(C) establishing procedures for employees to follow in an emergency to prevent or minimize interruption or impairment of telecommunications services;

(13) a certification that the common carrier will comply with applicable consumer protection and service quality standards set out in 3 AAC 53.450;

(14) information confirming that the common carrier offers one or more calling plans comparable to those of the incumbent local exchange carrier; the information must include

(A) a certification that, among its comparable calling plans, the common carrier offers a calling plan with at least 500 free minutes of local usage per month; and

(B) a comparison of the incumbent local exchange carrier's basic local usage plans and the requesting carrier's local usage plans that includes the local calling area, minutes of use included, plan rates, rate for excess minutes, features, and any other information demonstrating how proposed plans compare to calling plans of the incumbent local exchange carrier;

(15) information on how the common carrier will administer the lifeline and link up programs, including

(A) a certification that the common carrier offers a calling plan with at least 500 free minutes of local usage per month to lifeline-eligible customers;

(B) a description of the local calling area, plan rate, rate for excess minutes, and available features;

(C) an explanation of how eligibility for lifeline and link up will be determined;

(D) examples applying lifeline discounts to service offerings; and

(E) a statement of whether a lifeline customer has a choice of plan offerings or must subscribe to one standard plan;

(16) a certification that the common carrier acknowledges it may be required to provide equal access to long distance carriers if no other eligible telecommunications carrier provides equal access within the eligible telecommunications carrier service area;

(17) with respect to universal service support for high-cost areas, a commitment to use that high-cost universal service support for the provision, maintenance, and upgrade of facilities and services that benefit the eligible telecommunications carrier service area from which the support was derived;

(18) if service area redefinition is requested, the information required by 3 AAC 53.430;

(19) any additional information that the common carrier considers important in support of the request for designation as an eligible telecommunications carrier; and

(20) the information and fees required by (b) and (c) of this section.

(b) The common carrier must demonstrate that designation as an eligible telecommunications carrier is in the public interest by filing information explaining

(1) how designation would benefit consumers;

(2) the advantages and disadvantages of the requesting common carrier's service offerings compared to the offerings of other common carriers in the area;

(3) whether the common carrier's particular plan for providing supported services upon request throughout the proposed eligible telecommunications carrier service area is in the public interest; and

(4) any additional information that the common carrier considers important to demonstrate designation is in the public interest.

(c) A common carrier that does not pay regulatory cost charges under AS 42.05.254 and 3 AAC 47 shall submit a fee of \$5,000 with a request for designation as an eligible telecommunications carrier. (Eff. 7/12/2009, Register 191)

Authority:	AS 42.05.141	AS 42.05.291	AS 42.05.431
	AS 42.05.145	AS 42.05.306	AS 42.05.661
	AS 42.05.151	AS 42.05.381	

**3 AAC 53.420. Deployment plan.** (a) A common carrier seeking designation as an eligible telecommunications carrier must file a network deployment plan explaining its plans to provide service

throughout the proposed eligible telecommunications service area. The network deployment plan must include

(1) an explanation of how service availability, service quality, coverage, or capacity will improve over the duration of the deployment plan with the receipt of universal service support for high-cost areas;

(2) the projected start and completion date for each major expansion of the network deployment plan;

(3) the total estimated investment for each planned major expansion of the network and the estimated amount of universal service support for high-cost areas that is available to fund the investment;

(4) specific geographic locations for each major expansion;

(5) areas receiving facilities-based coverage as a result of network expansion; and

(6) specific areas where resale will be the primary means of providing service.

(b) When evaluating the network deployment plan the commission will consider

(1) the scope of the geographic area the common carrier will serve by resale;

(2) the common carrier's schedule for commencing facilities-based service and resold service within the eligible telecommunications carrier service area;

(3) the overall reasonableness of the network deployment plan; and

(4) other factors demonstrating whether the network deployment plan is consistent with the public interest; in areas served by a rural telephone company, the commission will consider whether the deployment plan provides a competitive advantage to the requesting common carrier or unfairly disadvantages the incumbent in the provision of universal service. (Eff. 7/12/2009, Register 191)

Authority: AS 42.05.141  
AS 42.05.145

AS 42.05.151

AS 42.05.291

**3 AAC 53.430. Request to redefine service area.** If a common carrier proposes an eligible telecommunications carrier service area that differs from the study area of the incumbent local exchange carrier, the requesting carrier must provide

(1) the population, square miles, and road miles of each wire center area where the common carrier seeks eligible telecommunications carrier designation;

(2) the population, square miles, and road miles of each wire center area where the common carrier does not seek eligible telecommunications carrier designation;

(3) the source of the information provided in (1) and (2) of this section;

(4) information on the approved plan for disaggregation of support by the incumbent local exchange carrier under 47 C.F.R. 54.315;

(5) if the study area is the area served by a rural telephone company, an acknowledgement that commission approval of a proposed rural service area is conditioned upon approval by the Federal Communications Commission after taking into account the recommendations of the Federal-State Joint Board on Universal Service in accordance with 47 U.S.C. 214(e)(5);

(6) a demonstration that the proposed eligible telecommunications carrier service area is in the public interest; and

(7) a discussion of creamskimming that includes

(A) a demonstration that the proposed redefinition of a service area does not result in an opportunity for creamskimming; or

(B) if the opportunity for creamskimming does exist, an explanation of how

(i) the public interest would be served by designating the common carrier as an eligible telecommunications carrier for an area other than the incumbent local exchange carrier study area; and

(ii) disaggregation of the incumbent local exchange carrier's universal service support under 47 C.F.R. 54.315 would affect the opportunity for creamskimming. (Eff. 7/12/2009, Register 191)

Authority: AS 42.05.141  
AS 42.05.145

AS 42.05.151

AS 42.05.291

**3 AAC 53.440. Procedural requirements for requests for eligible telecommunications carrier designation.** (a) A request for designation as an eligible telecommunications carrier must be in writing, must be verified by an authorized officer of the requesting common carrier, and must conform to the general requirements of pleadings set out in 3 AAC 48.100. A request for designation as an eligible telecommunications carrier will be considered a petition as defined in 3 AAC 48.820.

(b) The requesting common carrier shall serve a copy of its petition on any common carrier that has been designated as an eligible telecommunications carrier in any part of the proposed eligible telecommunications carrier service area.

(c) The commission will publicly notice a request for designation as an eligible telecommunications carrier and invite comment on the request, providing a comment period of at least 21 days.

(d) If the request for designation as an eligible telecommunications carrier does not contain all information required by 3 AAC 53.410, 3 AAC 53.420, and 3 AAC 53.430, the commission will require the requesting carrier to submit the missing information within five business days after the commission requests the missing information.

(e) If the commission needs information that is not required by

3 AAC 53.410, 3 AAC 53.420, or 3 AAC 53.430 to determine whether to grant a request for eligible telecommunications carrier designation, the commission will require the requesting carrier to submit further information within five business days after the commission requests further information.

(f) The requesting carrier bears the burden of proof with respect to all issues raised by its petition for designation as an eligible telecommunications carrier. (Eff. 7/12/2009, Register 191)

Authority: AS 42.05.141

AS 42.05.145

AS 42.05.151

**3 AAC 53.450. Consumer protection and service quality.**

(a) An eligible telecommunications carrier shall maintain at least one business office, with toll-free calling if necessary, staffed during commission business hours, to provide customers with access to personnel who can timely provide information on services and rates, accept and process service applications, explain and adjust bills, and generally represent the carrier.

(b) A wireless carrier that is designated as an eligible telecommunications carrier shall comply with the Cellular Telecommunications and Internet Association's *Consumer Code for Wireless Service* by

- (1) disclosing rates and terms of service to customers;
- (2) making available maps showing where service is generally available;
- (3) providing contract terms to customers and confirming changes in service;
- (4) allowing a trial period for new service;
- (5) providing specific disclosures in advertising;
- (6) separately identifying carrier charges from taxes on billing statements;
- (7) providing customers the right to terminate service for changes to contract terms;
- (8) providing ready access to customer service;
- (9) promptly responding to consumer inquiries and complaints received from government agencies; and
- (10) abiding by policies for protection of consumer privacy.

(c) An eligible telecommunications carrier shall commit to maintaining, in an easily accessible location on the company website, consumer complaint procedures. (Eff. 7/12/2009, Register 191)

Authority: AS 42.05.141  
AS 42.05.145

AS 42.05.151

AS 42.05.291

**3 AAC 53.460. Reporting requirements.** (a) A common carrier designated as an eligible telecommunications carrier shall provide on or before March 31 of each year

- (1) an update of the common carrier's network deployment plan

that details services provided within the eligible telecommunications carrier service area and includes

(A) maps detailing progress towards meeting network deployment plan targets;

(B) the amount of universal service support received;

(C) an explanation of how universal service support was used in the previous year to improve service quality, coverage, or capacity;

(D) an explanation regarding network improvement targets that have not been fulfilled and identification of any unserved areas; and

(E) an explanation of any revisions to the previously filed network deployment plan;

(2) a certification that the common carrier provided service throughout its eligible telecommunications carrier service area in the past calendar year to all customers requesting service except as described in (3) of this subsection;

(3) an explanation of each instance in which a customer was denied supported services and a detailed explanation of the steps taken to provide service;

(4) the number of complaints to the commission or the Federal Communications Commission by study area and service area, comparing the number of complaints to the total number of handsets or lines served by the carrier by study area and service area;

(5) a certification that the common carrier is in compliance with applicable consumer protection and service quality standards set out in 3 AAC 53.450;

(6) a certification that the common carrier complies with requirements set out in 3 AAC 53.410(a)(12) regarding functionality in emergency situations;

(7) copies of any outage reports mandated by the commission or the Federal Communications Commission;

(8) a certification that the common carrier complies with 3 AAC 53.410(a)(14) by offering one or more calling plans comparable to those of the incumbent local exchange carrier, including a calling plan with at least 500 free minutes of local usage per month; and

(9) affidavits of publication from the prior calendar year demonstrating that the common carrier advertised the availability of supported services throughout the eligible telecommunications carrier service area.

(b) A common carrier designated as an eligible telecommunications carrier before July 12, 2009 must submit an initial annual report that includes a certification that the carrier will comply with 3 AAC 53.410(a)(7), (16), and (17).

(c) An eligible telecommunications carrier that is a carrier of last resort for local exchange service is not required to file the information specified in (a)(1)(A) and (D) of this section. (Eff. 7/12/2009, Register 191)

Authority: AS 42.05.141  
AS 42.05.145

AS 42.05.151

AS 42.05.291

**3 AAC 53.470. Audits.** The commission may, on its own motion or in response to a petition from an interested entity, request the Alaska Universal Service Fund administrator approved under 3 AAC 53.310 or an appropriate entity to perform an audit of a designated eligible telecommunications carrier's compliance with eligible telecommunications carrier requirements. (Eff. 7/12/2009, Register 191)

Authority: AS 42.05.141  
AS 42.05.145

AS 42.05.151

AS 42.05.291

**3 AAC 53.480. Revocation, suspension, or modification of designation as an eligible telecommunications carrier.** If the commission determines that an eligible telecommunications carrier failed to comply with the requirements of 47 U.S.C. 214(e), 3 AAC 53.400 — 3 AAC 53.499, commission orders, or other applicable law, or failed to fulfill commitments made in filings with the commission regarding eligible telecommunications carrier status, the commission, after notice and opportunity to be heard, may revoke, suspend or modify the carrier's eligible telecommunications carrier designation. (Eff. 7/12/2009, Register 191)

Authority: AS 42.05.141

AS 42.05.145

AS 42.05.151

**3 AAC 53.499. Definitions.** In 3 AAC 53.400 — 3 AAC 53.499, unless the context requires otherwise,

(1) "business day" means a day other than Saturday, Sunday, or a state holiday;

(2) "common carrier" has the meaning given in 47 U.S.C. 153(11);

(3) "coverage area" means one or more locations where the common carrier is capable of providing the supported services;

(4) "creamskimming" means the practice of targeting the customers that are the least expensive or the most profitable for the incumbent local exchange carrier to serve, thereby undercutting the incumbent local exchange carrier's ability to provide service throughout its study area;

(5) "eligible telecommunications carrier service area" or "service area" means the geographical boundaries specified in a common carrier's request for designation as an eligible telecommunications carrier;

(6) "exchange" or "local exchange" has the meaning given in 3 AAC 48.820;

(7) "facilities" means any physical components of the telecommunications network that are used in the transmission or routing of the services that are designated for support;

(8) "lifeline" has the meaning given in 47 C.F.R. 54.401;

(9) "link up" has the meaning given in 47 C.F.R. 54.411;

(10) "rural telephone company" has the meaning given in 47 U.S.C. 153(44);

(11) "service area redefinition" means a change to an eligible telecommunications carrier service area that would cause the area to differ from the incumbent local exchange carrier study area;

(12) "study area" means the geographic area over which the incumbent local exchange carrier calculates its costs and performs jurisdictional separations, and is generally composed of the exchanges in the state served by that incumbent local exchange carrier; "study area" does not include areas outside the incumbent local exchange carrier's certificated service area;

(13) "supported services" means the basic services supported by the federal universal service fund in accordance with 47 C.F.R. 54.101(a), including

- (A) voice grade access;
- (B) local usage;
- (C) dual-tone multi-frequency signaling;
- (D) single-party service;
- (E) access to emergency services;
- (F) access to operator services;
- (G) access to interexchange service;
- (H) access to directory assistance; and
- (I) toll limitation or a similar service for low-income customers;

(14) "wire center" means the location of a local switching facility containing one or more central offices;

(15) "wire center area" means the area within which all customers served by a given wire center are located. (Eff. 7/12/2009, Register 191)

Authority: AS 42.05.141 AS 42.05.151 AS 42.05.291  
AS 42.05.145

Editor's note: As of Register 202 (July 2012), the regulations attorney made technical revisions under AS 44.62.125(b)(6), to the definitions of "common carrier" and "rural telephone company" in 3 AAC 53.499.

### Article 7. Criteria for the Provision of Pay-Per-Call Telephone Service.

Section	Section
500. Applicability, purpose, and waiver	550. Prohibition against automated collect calls or the broadcasting of tones
510. Prohibition against disconnection of service	560. Preamble requirements
520. Billing requirements	570. Enforcement
530. Complaint procedure and adjustment policy	599. Definitions
540. Blocking requirements	

**3 AAC 53.500. Applicability, purpose, and waiver.** (a) The provisions of 3 AAC 53.500 — 3 AAC 53.530 and 3 AAC 53.599 apply to a local exchange carrier or an intrastate interexchange carrier that provides billing and collection services to a pay-per-call information provider either directly or on behalf of an interexchange carrier.

(b) The provisions of 3 AAC 53.500, 3 AAC 53.540 — 3 AAC 53.570, and 3 AAC 53.599 apply to a local exchange carrier or an intrastate interexchange carrier that provides transmission services to a pay-per-call information provider.

(c) The purpose of 3 AAC 53.500 — 3 AAC 53.599 is to establish criteria for the provision of intrastate pay-per-call telephone service.

(d) Unless otherwise required under AS 42.05, any requirement in 3 AAC 53.500 — 3 AAC 53.599 may be modified or waived, in whole or in part, by order of the commission upon application and a showing of good cause or on the commission's own motion under procedures set out in 3 AAC 48.805. (Eff. 9/25/93, Register 127)

<b>Authority:</b> AS 42.05.141	AS 42.05.291	AS 42.05.361
AS 42.05.145	AS 42.05.311	AS 42.05.371
AS 42.05.151	AS 42.05.321	AS 42.05.431
AS 42.05.221		

**3 AAC 53.510. Prohibition against disconnection of service.**

(a) A local exchange carrier may not disconnect a customer's basic local telephone service for nonpayment of pay-per call telephone service charges.

(b) An interexchange carrier may not disconnect a customer's interexchange telephone service for nonpayment of pay-per-call telephone service charges.

(c) A local exchange carrier or an interexchange carrier may not threaten to disconnect basic local or interexchange telephone service or imply that service may be disconnected due to nonpayment of pay-per-call telephone service charges.

(d) Pay-per-call telephone service charges may not be included in the amount that must be paid to avoid disconnection of basic local or interexchange telephone service.

(e) Pay-per-call telephone service charges may not be included in the calculation of deposits to establish or reconnect basic local or interexchange telephone service. (Eff. 9/25/93, Register 127)

<b>Authority:</b> AS 42.05.141	AS 42.05.291	AS 42.05.361
AS 42.05.145	AS 42.05.311	AS 42.05.371
AS 42.05.151	AS 42.05.321	AS 42.05.431
AS 42.05.221		

**3 AAC 53.520. Billing requirements.** (a) On a billing statement, charges for pay-per-call telephone service must be segregated from charges for basic local or interexchange telephone service charges and

be listed in a clear and conspicuous manner under a separate heading that reads "Pay-Per-Call Telephone Service Charges."

(b) A billing statement that includes charges for pay-per-call telephone services must include a clear and conspicuous notice that states: "Your telephone service may not be disconnected for failure to pay for Pay-Per-Call Telephone Service Charges." "Pay-Per-Call Telephone Charges" may be disputed if you believe the charges are unauthorized, fraudulent, or illegal.

(c) A billing statement must provide a local or toll-free telephone number that a customer may call with inquiries or disputes regarding pay-per-call telephone service charges.

(d) The name, address, and business telephone number of the information service provider must be provided at a customer's oral or written request in a reasonable amount of time and free of charge. (Eff. 9/25/93, Register 127)

Authority:	AS 42.05.141	AS 42.05.291	AS 42.05.361
	AS 42.05.145	AS 42.05.311	AS 42.05.371
	AS 42.05.151	AS 42.05.321	AS 42.05.431
	AS 42.05.221		

### **3 AAC 53.530. Complaint procedure and adjustment policy.**

(a) When a customer questions or disputes a pay-per-call telephone service charge, the billing agent shall inform the customer of the blocking options that are available.

(b) The billing agent shall waive pay-per-call telephone service charges for the period of time from a customer's first inadvertent, mistaken, or unauthorized call to the date on which the customer notifies the billing agent that the charges are disputed.

(c) A customer may be blocked from access to pay-per-call telephone service, but not basic local telephone or interexchange telephone service, if inadvertent, mistaken, or unauthorized use occurs after the first waiver under (b) of this section and the customer refuses to pay the charges.

(d) In exchanges where customer-specific blocking of pay-per-call services is available, the billing agent shall provide adjustments for pay-per-call telephone service charges for reasonably disputed charges. The basis for a reasonably disputed charge includes

(1) the customer did not receive a price advertisement in the preamble, the price of the call was misrepresented to the customer in the preamble, or the price advertisement received by the customer in the preamble was false, misleading, or deceptive;

(2) the customer was misled, deceived, or confused by the preamble;

(3) the pay-per-call telephone service program was incomplete, garbled, inaudible, or unintelligible;

(4) the customer was disconnected or cut off from the pay-per-call telephone service;

(5) the pay-per-call telephone service provided out-of-date information;

(6) the customer terminated the call during the preamble described in 3 AAC 53.560(c) but was charged for the pay-per-call telephone service; or

(7) the customer did not take affirmative action to accept a collect pay-per-call telephone service.

(e) In exchange where customer-specific blocking of pay-per-call services is not available, the billing agent shall provide unlimited, automatic adjustments for pay-per-call telephone service charges upon a customer complaint. (Eff. 9/25/93, Register 127)

<b>Authority:</b> AS 42.05.141	AS 42.05.291	AS 42.05.361
AS 42.05.145	AS 42.05.311	AS 42.05.371
AS 42.05.151	AS 42.05.321	AS 42.05.431
AS 42.05.221		

**3 AAC 53.540. Blocking requirements.** (a) Where technically feasible, a local exchange carrier shall provide free, first-time, customer-specific blocking of pay-per-call telephone service and annually notify its customers that initial blocking is available free of charge.

(b) A local exchange carrier may charge customers an appropriate tariffed fee for customer-specific reconnection to pay-per-call telephone service.

(c) A local exchange carrier may charge customers an appropriate tariffed fee for customer-specific blocking after having provided that customer initial blocking and reconnection to pay-per-call telephone service. (Eff. 9/25/93, Register 127)

<b>Authority:</b> AS 42.05.141	AS 42.05.291	AS 42.05.361
AS 42.05.145	AS 42.05.311	AS 42.05.371
AS 42.05.151	AS 42.05.321	AS 42.05.431
AS 42.05.221		

**3 AAC 53.550. Prohibition against automated collect calls or the broadcasting of tones.** (a) A local exchange carrier or interexchange carrier may not provide transmission services for pay-per-call telephone service originated by an information service provider and charged to a customer unless the called party has taken affirmative action clearly indicating that it accepts the charges for collect pay-per-call telephone service.

(b) A local exchange carrier or interexchange carrier may not provide transmission services for a pay-per-call telephone service that uses the broadcasting of tones to dial a pay-per-call telephone service number. (Eff. 9/25/93, Register 127)

Authority:	AS 42.05.141	AS 42.05.291	AS 42.05.361
	AS 42.05.145	AS 42.05.311	AS 42.05.371
	AS 42.05.151	AS 42.05.321	AS 42.05.431
	AS 42.05.221		

**3 AAC 53.560. Preamble requirements.** (a) At the beginning of each pay-per-call telephone service, a preamble is required that provides disclosure information pertaining to the specific service provided.

(b) The preamble must be clearly understandable and audible.

(c) The disclosure information contained in the preamble must include

- (1) the name of the pay-per-call telephone service provider;
- (2) the nature of the pay-per-call telephone service provided; and
- (3) the maximum charge per initial and subsequent minute and per call.

(d) A preamble for programming aimed at or likely to be of interest to children must include a warning that parental permission must be given before completing the call. The warning must be clear, conspicuous, and in language easily understandable by children.

(e) A customer may disconnect the call during or at the conclusion of the preamble without incurring a charge.

(f) A preamble is not required for programs with a flat rate of \$2 or less.

(g) A preamble bypass mechanism may be installed allowing repeat customers to affirmatively bypass the preamble during subsequent calls.

(h) A preamble bypass mechanism must be disabled for a period of 30 days following a price increase of any pay-per-call telephone service.

(i) A preamble bypass mechanism may not be used in any pay-per-call telephone service aimed at children.

(j) A preamble that complies with 47 C.F.R. 64.711, in effect as of June 30, 1992, is considered to be in compliance with this section. (Eff. 9/25/93, Register 127)

Authority:	AS 42.05.141	AS 42.05.291	AS 42.05.361
	AS 42.05.145	AS 42.05.311	AS 42.05.371
	AS 42.05.151	AS 42.05.321	AS 42.05.431
	AS 42.05.221		

**3 AAC 53.570. Enforcement.** Local exchange carriers and interexchange carriers are prohibited from providing transmission services for pay-per-call telephone service that does not comply with 3 AAC 53.500 — 3 AAC 53.599. (Eff. 9/25/93, Register 127)

Authority:	AS 42.05.141	AS 42.05.291	AS 42.05.361
	AS 42.05.145	AS 42.05.311	AS 42.05.371
	AS 42.05.151	AS 42.05.321	AS 42.05.431
	AS 42.05.221		

**3 AAC 53.599. Definitions.** (a) Unless the context indicates otherwise, in 3 AAC 53.500 — 3 AAC 53.570

(1) "billing agent" means the local exchange carrier or the intrastate interexchange carrier doing billing and collection on behalf of the information provider;

(2) "blocking" means the denial of customer access to certain telephone services;

(3) "children" means persons under the age of 18;

(4) "information provider" means a person who furnishes, conducts, or offers a pay-per-call telephone service or who holds itself out as engaged in the business of furnishing, conducting, or offering pay-per-call telephone service;

(5) "pay-per-call telephone service" means a service that permits simultaneous calling by a number of callers to a single telephone number and for which the customer is assessed, on a per-call or a per-time-interval basis, a charge that is greater than or in addition to the charge for the transmission of the call; "pay-per-call telephone service" excludes directory assistance or conference call services that are offered by a telecommunications utility and excludes services for which the charge is dependent upon a presubscription relationship between the customer and a service provider; and

(6) "preamble" means an initial, free-of-charge disclosure message preceding the pay-per-call telephone service that informs the customer about the information service provider, the program being purchased, and all charges related to the program.

(b) Definitions contained in 3 AAC 52.340, 3 AAC 52.399, and 3 AAC 48.820 also apply to the words used in 3 AAC 53.500 — 3 AAC 53.570. (Eff. 9/25/93, Register 127)

Authority:	AS 42.05.141	AS 42.05.291	AS 42.05.361
	AS 42.05.145	AS 42.05.311	AS 42.05.371
	AS 42.05.151	AS 42.05.321	AS 42.05.431
	AS 42.05.221		

## Article 8. Criteria for the Provision of Statewide Directory Assistance.

Section	Section
610. Applicability and waiver	640. (Repealed)
620. Provision of intrastate directory assistance	645. Discontinuance of service
625. Directory assistance providers	650. Provision and use of subscriber data
630. (Repealed)	660. Definitions

**3 AAC 53.610. Applicability and waiver.** (a) The provisions of 3 AAC 53.610 — 3 AAC 53.660 apply to all local exchange carriers, interexchange carriers, alternate operator service providers, pay telephone providers, and directory assistance providers.

(b) Unless otherwise required under AS 42.05, a requirement in 3 AAC 53.610 — 3 AAC 53.660 may be modified or waived, in whole or in part, by order of the commission and a showing of good cause or on the commission's own motion. An applicant shall file and the commission will consider an application in accordance with 3 AAC 48.805.

(c) Nothing in 3 AAC 53.610 — 3 AAC 53.660 precludes or otherwise limits a directory assistance provider from using partially or fully automated technologies in the provision of directory assistance services. (Eff. 5/24/95, Register 134; am 11/24/2004, Register 172)

Authority:	AS 42.05.141	AS 42.05.151	AS 42.05.311
	AS 42.05.145	AS 42.05.291	AS 42.05.321

**3 AAC 53.620. Provision of intrastate directory assistance.**

(a) A local exchange carrier shall provide 411 dialed intrastate directory assistance to its local subscribers either through an internal directory assistance bureau or through a directory assistance agent. On or before December 1, 2004, each local exchange carrier must notify the commission of the name and address of the carrier's directory assistance provider. Within seven days after any change in the name or address of its directory assistance provider, a local exchange carrier must notify the commission of that change. A local exchange carrier shall include in its tariff its rates for 411 dialed intrastate directory assistance, unless the carrier is exempt from tariff filing requirements under AS 42.05.711. A local exchange carrier shall ensure that subscriber listings obtained by its subscribers through 411 dialed intrastate directory assistance are current within five business days after a change in subscriber status.

(b) An interexchange carrier may provide 907-555-1212 dialed intrastate directory assistance to its customers. On or before December 1, 2004, each interexchange carrier that provides 907-555-1212 dialed intrastate directory assistance must notify the commission of the name and address of the carrier's directory assistance provider. Within seven days after any change in the name or address of its directory assistance provider, an interexchange carrier must notify the commission of that change. Except for intrastate directory assistance provided through a prepaid calling card service subject to 3 AAC 52.377, an interexchange carrier shall include in its tariff its rates for 907-555-1212 dialed intrastate directory assistance. An interexchange carrier shall ensure that subscriber listings obtained by its subscribers through 907-555-1212 dialed intrastate directory assistance are current within five days after a change in subscriber status.

(c) Only a local exchange carrier may provide 411 dialed intrastate directory assistance. Only an interexchange carrier may provide 907-

555-1212 dialed intrastate directory assistance. Charges for intrastate directory assistance provided through other numbers are not required to be included in a tariff or approved in advance by the commission.

(d) The rates for 411 dialed and 907-555-1212 dialed intrastate directory assistance from a pay telephone must be clearly posted.

(e) The answering time objective set out in 3 AAC 52.300(b) applies to all 411 dialed and 907-555-1212 dialed intrastate directory assistance. (Eff. 5/24/95, Register 134; am 11/24/2004, Register 172)

<b>Authority:</b> AS 42.05.141	AS 42.05.151	AS 42.05.311
AS 42.05.145	AS 42.05.291	AS 42.05.321

**3 AAC 53.625. Directory assistance providers.** (a) Upon petition or on its own motion, the commission may investigate the wholesale rates a directory assistance provider charges to local exchange carriers for 411 dialed intrastate directory assistance or to intrastate interexchange carriers for 907-555-1212 dialed intrastate directory assistance.

(b) A directory assistance provider may not charge unjust and unreasonable rates for 411 dialed or 907-555-1212 dialed intrastate directory assistance, grant an unreasonable preference or advantage, or subject a customer to an unreasonable prejudice or disadvantage. If only one directory assistance provider serves all customers in the state, that provider shall file its contracts and contract amendments for the provision of 411 dialed and 907-555-1212 dialed intrastate directory assistance with the commission. Unless the commission initiates an investigation, a filing under this subsection becomes effective 30 days after filing. (Eff. 11/24/2004, Register 172)

<b>Authority:</b> AS 42.05.141	AS 42.05.361	AS 42.05.411
AS 42.05.151	AS 42.05.381	AS 42.05.421
AS 42.05.145	AS 42.05.391	AS 42.05.431
AS 42.05.291		

**3 AAC 53.630. Certification requirements for directory assistance.** Repealed. (Eff. 5/24/95, Register 134; repealed 11/24/2004, Register 172)

**3 AAC 53.640. Statewide directory assistance bureau.** Repealed. (Eff. 5/24/95, Register 134; repealed 11/24/2004, Register 172)

**3 AAC 53.645. Discontinuance of service.** A directory assistance agent may discontinue, suspend, or abandon service only after six months' notice to its customers and to the commission. The commission may require a directory assistance agent to continue providing service until another available directory assistance agent is capable of providing all services needed for the public convenience and necessity. (Eff. 11/24/2004, Register 172)

Authority: AS 42.05.141

AS 42.05.151

AS 42.05.261

**3 AAC 53.650. Provision and use of subscriber data.** (a) A local exchange carrier shall provide directory assistance, directory listings, and directory assistance databases to a competing provider of telephone exchange service, a competing provider of telephone toll service, or a directory assistance agent in a nondiscriminatory manner as required by 47 C.F.R. 51.217, revised as of October 1, 2003 and adopted by reference. The subscriber data that a local exchange carrier must provide under this subsection includes the directory listings and directory assistance databases of any total service reseller for which the provisioning local exchange carrier is the underlying carrier, unless the total service reseller undertakes the obligation to provide the data for its customers and requests the underlying carrier not to provide the data.

(b) A local exchange carrier shall ensure that the information provided to its own directory assistance provider, and to any competitive directory assistance provider, is accurate and updated within five business days after a change in subscriber status. A local exchange carrier shall make initial and updated subscriber listings available to each directory assistance provider within the same period.

(c) Unless it is exempt under AS 42.05.711 from tariff filing requirements, a local exchange carrier shall include charges for the directory listings and directory databases provided under (a) of this section in its tariff. Those charges must be a rate

(1) not to exceed \$.04 per listing for an initial list, and \$.06 per listing for a list of updates; or

(2) based on the following direct costs of producing a directory list:

(A) processing of the list or database request, including order-taking and invoicing;

(B) production of the list or database;

(C) cost of the distribution format such as diskette, compact disc, or paper;

(D) amortized programming costs necessary to set up the list or database.

(d) The charges for the directory listings and databases may not

(1) include any consideration of the market value or the intangible value associated with the local exchange carrier's exclusive access to the subscriber information;

(2) include the costs associated with the direct provision of directory assistance; or

(3) exceed the rate the local exchange carrier charges to itself, its own directory assistance agent, or an affiliated interest.

(e) If a local exchange carrier's proposed charges for directory listings and databases exceed the limits set out in (c)(1) of this section, the local exchange carrier has the burden of showing that its charges

are based solely on the direct costs set out in (c)(2) of this section and do not include any of the costs set out in (d)(1) and (2) of this section.

(f) A directory assistance provider may not provide information contained in the directory listings and directory databases to any affiliated interest or other third party not otherwise entitled to obtain it directly under (a) of this section, except in the provision of directory assistance to that third party or a service ancillary to directory assistance, including call completion. (Eff. 5/24/95, Register 134; am 11/24/2004, Register 172)

<b>Authority:</b> AS 42.05.141	AS 42.05.291	AS 42.05.371
AS 42.05.145	AS 42.05.311	AS 42.05.391
AS 42.05.151	AS 42.05.321	AS 42.05.431

**3 AAC 53.660. Definitions.** Unless the context indicates otherwise, in 3 AAC 53.610 — 3 AAC 53.660,

- (1) "affiliated interest" has the meaning given in AS 42.05.990;
- (2) "alternate operator service" has the meaning given in AS 42.05.325(c);
- (3) "business day" means each day of a calendar week except a Saturday, a Sunday, and each holiday that is observed by a local exchange carrier or interexchange carrier;
- (4) "commission" means the Regulatory Commission of Alaska;
- (5) "direct cost" means a cost specifically attributed to the production of an individual service or product without requiring the use of allocations to separate it from costs incurred in the production of other services or products;
- (6) "directory assistance agent" means an entity that operates as an agent of a local exchange carrier or an interexchange carrier to maintain a database and provide operator services for the provision of intrastate directory assistance to end users;
- (7) "directory assistance provider" means an entity that maintains a database and provides operator services for the provision of intrastate directory assistance to end users;
- (8) "interexchange carrier" means a carrier certificated or registered to provide intrastate interexchange telephone service;
- (9) "intrastate directory assistance" means the audio provision of statewide directory information to a customer calling from the 907 area code;
- (10) "local exchange carrier" means a carrier certificated to provide local exchange telephone service;
- (11) "total service reseller" means a local exchange carrier that purchases local service on a wholesale basis from a facilities-based local exchange carrier for resale to local customers;
- (12) "underlying carrier" means a facilities-based local exchange carrier that provides local services to another local exchange carrier for resale to end users. (Eff. 5/24/95, Register 134; am 11/24/2004, Register 172)

Authority: AS 42.05.141 AS 42.05.151 AS 42.05.291  
AS 42.05.145

**Article 9. State Telecommunications Modernization Plan.**

<b>Section</b>	<b>Section</b>
700. Applicability, purpose, and extensions	710. Reporting requirements
705. Modernization requirements	720. Definitions

**3 AAC 53.700. Applicability, purpose, and extensions.** (a) The provisions of 3 AAC 53.700 — 3 AAC 53.720 apply to all local exchange carriers and facilities-based intrastate interchange carriers certificated by the commission.

(b) The purpose of 3 AAC 53.700 — 3 AAC 53.720 is to

- (1) establish a plan defining requirements for the modernization of the public-switched telephone network in the state;
- (2) improve the quality and availability of telecommunications services uniformly deployed throughout the rural and non-rural areas of the state;

(3) assure the establishment of telecommunications services and facilities that may be required by the public convenience and necessity and the furnishing of service at rates that are just and reasonable; and

(4) lead to uniform deployment of an intelligent telecommunications network throughout the rural and non-rural areas of the state.

(c) Unless otherwise mandated under AS 42.05, a requirement in 3 AAC 53.700 — 3 AAC 53.720 may be extended for up to five years by order of the commission upon application under 3 AAC 48.805 and a showing that the required technology is not commercially feasible. (Eff. 3/15/96, Register 137)

Authority: AS 42.05.141	AS 42.05.221	AS 42.05.311
AS 42.05.145	AS 42.05.241	AS 42.05.321
AS 42.05.151	AS 42.05.291	AS 42.05.800

**3 AAC 53.705. Modernization requirements.** (a) A telecommunications provider shall design its telephone network to allow for the expeditious deployment and integration of emerging technologies as they become commercially feasible.

(b) A telecommunications provider may develop affordable tariff rates specifically for medical links and distance learning services, provided that they comply with AS 42.05.361 — 42.05.421.

(c) A telephone company shall provide reliable powering of ordinary voice telephone service operating over those portions of the telecommunications network that are not network powered.

(d) After February 13, 1997, a telephone company shall only place

- (1) new wireline facilities into service that can provide
  - (A) every subscriber with one-party service; and,

(B) as-built or with additional equipment, transmission and reception of data at a rate no lower than one megabit per second; and

(2) switching equipment into service that can provide

(A) custom-calling features that, at a minimum, include call waiting, call forwarding, abbreviated dialing, and three-way calling; and

(B) enhanced 911 service (E911 service) for areas served by the telephone company when requested by the governmental agency responsible for that service.

(e) After February 13, 2003, a telephone company shall only place new wireline facilities into service that can provide, as-built or with additional equipment, the ability to transmit video capable of depicting a reasonable representation of motion.

(f) By February 13, 2003, a

(1) telephone company shall provide

(A) service using switching equipment that can provide E911 service if requested by the governmental agency responsible for that service;

(B) one-party service upon demand to subscribers; and

(C) an end-to-end data transfer rate of no less than 28.8 kilobits per second; and

(2) telecommunications provider shall provide switched digital service that operates at a rate of at least 56 kilobits per second to any customer upon request.

(g) A telecommunications provider shall work towards

(1) elimination of party-line service; and

(2) universal availability, upon request, of

(A) digital voice and data service of at least 56 — 164 kilobits per second;

(B) transmission and reception of high-bit-rate data at no less than 1 megabit per second; and

(C) reception of video as described in (e) of this section.

(h) Compliance with the requirements of 3 AAC 53.700 — 3 AAC 53.720 may not be used to justify unreasonable or imprudent construction of facilities. (Eff. 3/15/96, Register 137)

Authority:	AS 42.05.141	AS 42.05.221	AS 42.05.311
	AS 42.05.145	AS 42.05.241	AS 42.05.321
	AS 42.05.151	AS 42.05.291	AS 42.05.800

**3 AAC 53.710. Reporting requirements.** (a) A telecommunications provider shall include and identify, in its capital program and planning statement required under 3 AAC 52.330, the capital projects planned to meet the requirements set out in 3 AAC 53.705.

(b) The capital program and planning statement file under 3 AAC 52.330 must also include an estimate of the impact of the capital

projects planned to meet the requirements of 3 AAC 53.705 if the projects are anticipated to increase a telecommunications provider's tariffed rates for service by three percent or more and if the estimated unseparated nontraffic-sensitive local loop revenue requirement is anticipated to increase by three percent or more. (Eff. 3/15/96, Register 137)

Authority:	AS 42.05.141	AS 42.05.221	AS 42.05.311
	AS 42.05.145	AS 42.05.241	AS 42.05.321
	AS 42.05.151	AS 42.05.291	AS 42.05.800

**3 AAC 53.720. Definitions.** (a) Unless the context indicates otherwise, in 3 AAC 53.700 — 3 AAC 53.720,

- (1) "bit rate" means the rate of transmission of telecommunications signals or intelligence in binary (two-state) form in bits per unit of time; for example, megabits per second (Mb/sec), kilobits per second (kb/sec);
  - (2) "commercially feasible" means equipment is available and its cost and installation are reasonable;
  - (3) "emerging technologies" means new or not fully developed methods of telecommunications;
  - (4) "E911 service" or "enhanced 911 service" means a service that provides call routing to an emergency response answering point based upon the calling telephone number, provides for the display of the physical location of the calling telephone at the answering point, and is authorized in AS 29.35.131 — 29.35.137;
  - (5) "intrastate interexchange carrier" means a carrier as defined in 3 AAC 52.340;
  - (6) "telephone company" means a carrier that provides telephone local exchange service as defined in 3 AAC 48.820;
  - (7) "telecommunications" has the meaning given in AS 42.05.990;
  - (8) "telecommunications provider" means a telephone company as defined in (6) of this subsection and an intrastate interexchange carrier as defined in 3 AAC 52.340 that is facilities based;
  - (9) "wireline service" means telecommunications service provided over telephone lines, characterized by a wire or wirelike connection carrying electricity or light between the subscriber and the public switched network, and implies a physical connection; although radio may form part of the circuit, radio may not be the major method of transmission, such as in radiotelephone.
- (b) Definitions contained in 3 AAC 48.820, 3 AAC 52.340, and 3 AAC 52.399 also apply to the defined words as they are used in 3 AAC 53.700 — 3 AAC 53.720. (Eff. 3/15/96, Register 137)

Authority:	AS 42.05.141	AS 42.05.221	AS 42.05.311
	AS 42.05.145	AS 42.05.241	AS 42.05.321
	AS 42.05.151	AS 42.05.291	AS 42.05.800

### Article 10. Public Interest Pay Telephone Service.

Section	Section
740. Applicability, purpose, and waiver	760. Funding for public interest pay tele- phones
745. Criteria for designation of a public interest pay telephone	765. Service requirements
750. Designation of public interest pay telephones	770. Maximum charge for a public inter- est pay telephone
755. Assignment of public interest pay telephones	775. Miscellaneous provisions
	799. Definitions

**3 AAC 53.740. Applicability, purpose, and waiver.** (a) The provisions of 3 AAC 53.740 — 3 AAC 53.799 apply to public interest pay telephone service.

(b) The purpose of 3 AAC 53.740 — 3 AAC 53.799 is to establish and provide for the designation, apportionment, and funding of public interest pay telephones.

(c) Unless otherwise required under AS 42.05, a requirement in 3 AAC 53.740 — 3 AAC 53.799 may be modified or waived, in whole or in part, by order of the commission upon application and a showing of good cause or on the commission's own motion. An applicant shall file and the commission will consider an application in accordance with 3 AAC 48.805. (Eff. 1/11/2001, Register 157)

Authority:	AS 42.05.141	AS 42.05.311	AS 42.05.810
	AS 42.05.151	AS 42.05.321	AS 42.05.840
	AS 42.05.291	AS 42.05.800	

**3 AAC 53.745. Criteria for designation of a public interest pay telephone.** (a) A public interest pay telephone is one that

(1) fulfills a public policy objective in health, safety, or public welfare;

(2) is not provided for a location provider with an existing contract for the provision of a pay telephone; and

(3) would not otherwise exist as a result of the operation of the competitive marketplace.

(b) The commission may designate one or more public interest pay telephones in each exchange in which a pay telephone would not otherwise be available to the public. (Eff. 1/11/2001, Register 157)

Authority:	AS 42.05.141	AS 42.05.311	AS 42.05.810
	AS 42.05.151	AS 42.05.321	AS 42.05.840
	AS 42.05.291	AS 42.05.800	

**3 AAC 53.750. Designation of public interest pay telephones.** (a) The commission will, by order, designate an initial list of public

interest pay telephones under the procedures set out in (b) through (e) of this section.

(b) The commission will establish a deadline for the submission of requests for the establishment of public interest pay telephones that meet the criteria for that designation as set out in 3 AAC 53.745. A request must indicate the exchange and the physical address or location for each public interest pay telephone. A request to designate an existing pay telephone as a public interest pay telephone must include sufficient cost and revenue information for the commission to determine the profitability of the pay telephone.

(c) After the deadline for the submission of requests under (b) of this section, the commission will review the requests for designation of public interest pay telephones for compliance with the criteria set out at 3 AAC 53.745 and will identify its recommended additions or deletions.

(d) Following the completion of the procedures set out in (c) of this section, the commission will issue a preliminary list of proposed public interest pay telephones. The commission will provide public notice of its preliminary list and serve the list on all certificated telecommunications carriers in the state, including private pay telephone service providers. The commission will invite public comment on the completeness and accuracy of the preliminary list of public interest pay telephones. A certificated private pay telephone service provider may indicate which, if any, locations on the list it is willing to serve in its service area without support. The commission will establish a deadline for the submission of comments.

(e) After the deadline established under (d) of this section, the commission will issue a final list of public interest pay telephones by

- (1) exchange; and
- (2) physical address or location of each public interest pay telephone.

(f) The commission may consider amendments and modifications to the final list of public interest pay telephones designated under (e) of this section upon the commission's own motion or upon petition by an affected person. (Eff. 1/11/2001, Register 157)

Authority:	AS 42.05.141	AS 42.05.311	AS 42.05.810
	AS 42.05.151	AS 42.05.321	AS 42.05.840
	AS 42.05.291	AS 42.05.800	

**3 AAC 53.755. Assignment of public interest pay telephones.** After issuance of the final list of public interest pay telephones under 3 AAC 53.750(e), the commission will assign the public interest pay telephone or telephones for a given exchange to the incumbent local exchange carrier serving that exchange. (Eff. 1/11/2001, Register 157)

<b>Authority:</b> AS 42.05.141	AS 42.05.311	AS 42.05.810
AS 42.05.151	AS 42.05.321	AS 42.05.840
AS 42.05.291	AS 42.05.800	

**3 AAC 53.760. Funding for public interest pay telephones.**

(a) Financial support required for a public interest pay telephone is funded from disbursements of the Alaska Universal Service Fund (AUSF).

(b) An incumbent local exchange carrier assigned public interest pay telephone responsibility will be given monthly compensation from the AUSF for each public interest pay telephone based on the actual net cost of providing the service.

(c) Actual net cost is equal to allowable costs less all revenues received from the public interest pay telephone, including revenues imputed by the commission. Allowable costs include a reasonable allocation of operating expenses, depreciation, taxes, and a reasonable return on invested capital, subject to annual commission review. Location rental is not an allowable cost unless specifically authorized by the commission.

(d) The commission will establish by order the process for annual review of the funding requirements for public interest pay telephones.

(e) An incumbent local exchange carrier providing public interest pay telephone service shall make a reasonable attempt to obtain revenues from available sources including federal dial-around compensation, local coin calls, and aggregator commissions from long distance carriers. (Eff. 1/11/2001, Register 157)

<b>Authority:</b> AS 42.05.141	AS 42.05.311	AS 42.05.810
AS 42.05.151	AS 42.05.321	AS 42.05.840
AS 42.05.291	AS 42.05.800	

**3 AAC 53.765. Service requirements.** (a) An incumbent local exchange carrier that the commission has assigned public interest pay telephone responsibility shall maintain and serve the public interest pay telephones in accordance with 3 AAC 53.820 — 3 AAC 53.899.

(b) An incumbent local exchange carrier that the commission has assigned public interest pay telephone responsibility may not abandon service without prior approval of the commission. (Eff. 1/11/2001, Register 157)

<b>Authority:</b> AS 42.05.141	AS 42.05.311	AS 42.05.810
AS 42.05.151	AS 42.05.321	AS 42.05.840
AS 42.05.291	AS 42.05.800	

**3 AAC 53.770. Maximum charge for a public interest pay telephone.** The charge for a local call from a public interest pay telephone may not exceed 25 cents per call. The charge for a long distance call may not exceed the charges of the dominant long distance carrier. (Eff. 1/11/2001, Register 157)

Authority: AS 42.05.141 AS 42.05.311 AS 42.05.810  
AS 42.05.151 AS 42.05.321 AS 42.05.840  
AS 42.05.291 AS 42.05.800

**3 AAC 53.775. Miscellaneous provisions.** (a) A public interest pay telephone provider shall install a public interest pay telephone capable of accepting coin calls unless the commission determines that the public interest requires the installation of a coinless pay telephone.

(b) A coinless public interest pay telephone must provide free local calling.

(c) To the extent possible, a public interest pay telephone must be located on public or utility property. (Eff. 1/11/2001, Register 157)

Authority: AS 42.05.141 AS 42.05.311 AS 42.05.810  
AS 42.05.151 AS 42.05.321 AS 42.05.840  
AS 42.05.291 AS 42.05.800

**3 AAC 53.799. Definitions.** (a) Unless the context indicates otherwise, in 3 AAC 53.740 — 3 AAC 53.799,

(1) "location provider" means the owner of premises on which a public interest pay telephone is located or, for leased premises, the lessee, unless otherwise provided in the lease;

(2) "coinless pay telephone" means a pay telephone that accepts 1-800 subscriber calls or access card calls.

(b) Terms used in 3 AAC 53.740 — 3 AAC 53.799 that are not defined in this section have the meanings given in 3 AAC 48.820, 3 AAC 52.340, 3 AAC 52.399, and 3 AAC 53.899. (Eff. 1/11/2001, Register 157)

Authority: AS 42.05.141 AS 42.05.311 AS 42.05.810  
AS 42.05.151 AS 42.05.321 AS 42.05.840  
AS 42.05.291 AS 42.05.800

**Article 11. Criteria for the Provision of Private Pay Telephone Service.**

<b>Section</b>	<b>Section</b>
800. Applicability and waiver	860. Operator-service provider requirements
810. Certification requirements for private pay telephone service providers	870. Interconnection and directory assistance requirements
820. Limits on rates and charges	880. Posting and notice requirements
830. Service requirements	890. Complaint procedures; enforcement
840. Operation and maintenance requirements	899. Definitions
850. Access to interexchange carriers; charges	

**3 AAC 53.800. Applicability and waiver.** (a) The provisions of 3 AAC 53.810 — 3 AAC 53.899 apply to private pay telephone service. However, the provisions of 3 AAC 52.200 — 3 AAC 52.340, which set out service standards for the furnishing of telecommunications ser-

vices and facilities to the public, do not apply to private pay telephone service.

(b) Unless otherwise required under AS 42.05, any requirement in 3 AAC 53.800 — 3 AAC 53.899 may be modified or waived, in whole or in part, by order of the commission upon application and a showing of good cause or on the commission's own motion in compliance with 3 AAC 48.805. (Eff. 9/20/96, Register 139)

Authority: AS 42.05.141

AS 42.05.151

AS 42.05.291

**3 AAC 53.810. Certification requirements for private pay telephone service providers.** (a) A person may not provide private pay telephone service without obtaining a certificate of public convenience and necessity from the commission.

(b) To obtain a certificate of public convenience and necessity to provide private pay telephone service, the person shall file the following information on a form available from the commission:

- (1) the applicant's legal name, type of business structure, and any other name under which the applicant 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) proof of authority to do business in this state;
- (5) a list of the owners of five percent or more of the applicant's equity;
- (6) a list of persons or entities that are affiliated interests of the applicant;
- (7) the name of any operator-service provider that the applicant will use in providing private pay telephone service, and proof that the operator-service provider is registered with or certificated by the commission;
- (8) a list, and a report on the current status, of all complaints and reports of violations regarding private or public pay telephone service that the applicant or any affiliated interest has received in this or any other state in the two years before application is made;
- (9) a verification by an individual authorized to sign on behalf of the applicant that all of the information provided in the application is accurate and complete.

(c) Repealed 7/15/98.

(d) A certificate of public convenience and necessity authorizing private pay telephone service does not authorize the holder to provide or resell intrastate interexchange telecommunications service. (Eff. 9/20/96, Register 139; am 7/15/98, Register 147)

Authority: AS 42.05.141 AS 42.05.221 AS 42.05.241  
AS 42.05.151 AS 42.05.231

**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

**3 AAC 53.830. Service requirements.** (a) A private pay telephone service provider shall use coin telephone instruments registered with the Federal Communications Commission, under the provisions of 47 C.F.R. 68 in effect on October 11, 1995.

(b) Repealed 1/1/2016.

(c) A private pay telephone must accept incoming calls unless the premises owner or tenant-in-charge requests, or the commission orders under AS 42.05.291, the private pay telephone service provider to block incoming calls.

(d) The private pay telephone service provider may limit the duration of incoming calls; however, the limit may not be less than three minutes. For a limited duration call, a disconnection warning must be given one minute before disconnection and 30 seconds before disconnection. No other calls may be limited in duration.

(e) A private pay telephone service provider must use a positive acceptance system for an automated collect call. A positive acceptance system permits completion of the call only if the called party affirmatively accepts the call by an oral statement or a signal entered from the called party's telephone keypad.

(f) A private pay telephone must be compatible with hearing-aid devices.

(g) A private pay telephone must be accessible to persons with disabilities as required by the following federal statutes and regulations, in effect as of October 11, 1995:

(1) 42 U.S.C. 12101 — 12213 (Americans with Disabilities Act of 1990);

(2) 36 C.F.R. 1191; and

(3) 28 C.F.R. 36. (Eff. 9/20/96, Register 139; am 1/1/2016, Register 217)

Authority: AS 42.05.141

AS 42.05.151

AS 42.05.291

**3 AAC 53.840. Operation and maintenance requirements.**

(a) A private pay telephone service provider shall maintain, in a clean and operable condition, all private pay telephones that the provider has installed.

(b) A private pay telephone must be lit adequately to enable a caller to read all posted notices and keypads or dials on the instrument.

(c) A private pay telephone service provider shall maintain a list of currently installed instruments that identifies the telephone number, the location, and the operator-service provider for each private pay telephone in service. Upon request, the list shall be made available to the commission and the public. A private pay telephone service provider's annual report to the commission shall include a list of installed telephone instruments at the end of the calendar year. (Eff. 9/20/96, Register 139)

Authority: AS 42.05.141  
AS 42.05.151

AS 42.05.291

AS 42.05.451

**3 AAC 53.850. Access to interexchange carriers; charges.**

(a) A private pay telephone must provide a caller making a credit card, calling card, or other type of operator-assisted call access to all authorized interexchange carriers providing 0-plus and 0-minus services within the area where the private pay telephone is located.

(b) A private pay telephone service provider may not block a caller from dialing an access code or a toll-free number. The private pay telephone service provider may not impose a greater charge for dialing access codes and toll-free numbers than the provider charges for calls using the presubscribed operator-services provider.

(c) Repealed 7/15/98.

(Eff. 9/20/96, Register 139; am 7/15/98, Register 147)

Authority: AS 42.05.141  
AS 42.05.151

AS 42.05.291  
AS 42.05.311

AS 42.05.321

**3 AAC 53.899. Definitions.** (a) Unless the context indicates otherwise, in 3 AAC 53.800 — 3 AAC 53.899,

(1) “access code” means a sequence of numbers that, when dialed, connects the caller to the operator-service provider associated with that sequence, rather than the operator-service provider presubscribed to the originating line;

(2) “affiliated interests” has the meaning given in AS 42.05.990;

(3) “commission” means the Regulatory Commission of Alaska;

(4) “operator-service provider” means either an interexchange carrier certificated to provide intrastate operator services or an alternative operator providing intrastate services under AS 42.05.325;

(5) “private pay telephone” or “privately-owned pay telephone” means a type of pay telephone instrument, other than a public telephone, that can be connected to an ordinary local exchange carrier telephone line and can provide local exchange and interexchange service by use of a coin, credit card, or other means of payment.

(b) Terms used in 3 AAC 53.800 — 3 AAC 53.890 but not defined in this section have the meanings given in 3 AAC 48.820, 3 AAC 52.340, and 3 AAC 52.399. (Eff. 9/20/96, Register 139; am 2/24/2004, Register 170)

Authority: AS 42.05.141

AS 42.05.151

## Article 12. Regulation of Cable Television.

### Section

900. Adoption of applicable rules

**3 AAC 53.900. Adoption of applicable rules.** The Cable Television Service rules, Subpart N — Cable Rate Regulation, as set out in Part 76 of the Federal Communications Commission rules (47 C.F.R. 76.900 — 76.985), in effect as of May 15, 1994, are adopted by reference for use in regulating cable television utilities that are not exempt under AS 42.05.711(k) from economic regulation by the commission. (Eff. 4/2/94, Register 129; am 11/6/94, Register 132)

Authority: AS 42.05.141

AS 42.05.151

**Editor's note:** A copy of the Federal Communications Commission rules, 47 C.F.R. 76.900 — 985, adopted by reference in 3 AAC 53.900, may be obtained by writing the Federal Communications

Commission, 1919 M Street N.W., Washington D.C. 20554. A copy is also available for inspection at the offices of the Regulatory Commission of Alaska at the address set out in 3 AAC 48.010(a).