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STATE OF ALASKA

THE REGULATORY COMMISSION OF ALASKA

Before Commissioners: Robert M. Pickett, Chairman  
Stephen McAlpine  
Rebecca L. Pauli  
Norman Rokeberg  
Janis W. Wilson

In the Matter of the Deregulation Election ) U-16-085  
Conducted by ALASKA ELECTRIC AND )  
ENERGY COOPERATIVE, INC. ) ORDER NO. 1

**ORDER ACKNOWLEDGING NOTICE OF ELECTION, REQUIRING FILING,  
SCHEDULING TIME FOR BALLOT COUNTING, DESIGNATING COMMISSION  
PANEL, AND APPOINTING ADMINISTRATIVE LAW JUDGE**

BY THE COMMISSION:

Summary

We acknowledge the filing by Alaska Electric and Energy Cooperative, Inc. (AEEC)<sup>1</sup> that notifies us of its intention to seek exemption from economic regulation by election. We require AEEC to file a sample of the ballot and envelopes it will provide to its member. We schedule a date for counting the ballot cast by its member in the election to be held by AEEC. The chairman designates the commission panel and commission docket manager and appoints an administrative law judge.

Background

AEEC filed notice that it will conduct a deregulation election.<sup>2</sup> AEEC states that, "by unanimous vote on May 10, 2016," its Board of Directors "called for an

<sup>1</sup>AEEC holds Certificate of Public Convenience and Necessity No. 640 to provide wholesale electric service to Homer Electric Association, Inc.

<sup>2</sup>*Notice of Mailing of Notice of Deregulation Election*, filed October 21, 2016 (Notice of Election).

1 election of its member, under AS 42.05.712, to exempt AEEC from economic regulation  
2 by the Regulatory Commission of Alaska . . . .”<sup>3</sup> AEEC states that it has one member,  
3 Homer Electric Association, Inc. (HEA) and that on October 21, 2016, it mailed a notice  
4 of the deregulation election to the Board of Directors of HEA, at the same time as its  
5 regular bill.<sup>4</sup> AEEC attached a copy of the notice it sent to HEA’s Board of Directors as  
6 Exhibit 1 to the Notice of Election.

7 AEEC advised us that it will hold a public meeting on December 13, 2016,  
8 in Kenai, Alaska, for its sole member to discuss the deregulation election.<sup>5</sup> According to  
9 Exhibit 1, the December 13, 2016, public meeting will be held at 3 p.m. at HEA’s Kenai  
10 Office, located at 280 Airport Way, Kenai, Alaska.<sup>6</sup> AEEC points out that the public  
11 meeting will take place eight days before it mails the ballot (on December 21, 2016) to  
12 the HEA Board of Directors.<sup>7</sup>

13 Discussion

14 Under AS 42.05.712(h) a cooperative may elect to become exempt from  
15 the provisions of AS 42.05, other than AS 42.05.221–AS 42.05.281, by following the  
16 election procedures described in AS 42.05.712 and 3 AAC 49.010–3 AAC 49.100.  
17 AEEC must comply with those election procedures.

18 We require AEEC to file a sample of the ballot it mails to its member, the  
19 small envelope in which the ballot is inserted, and the larger envelope addressed to the  
20 commission that contains the voter’s certificate as required by 3 AAC 49.040(c).<sup>8</sup>

21 \_\_\_\_\_  
22 <sup>3</sup>Notice of Election at 1.

23 <sup>4</sup>Notice of Election at 1.

24 <sup>5</sup>Notice of Election at 1, Exhibit 1 at 1..

25 <sup>6</sup>Notice of Election, Exhibit 1 at 1.

26 <sup>7</sup>Notice of Election at 1.

<sup>8</sup>3 AAC 49.080(a).

1 AEEC states that the deregulation ballot will be mailed to the Board of  
2 Directors of its sole member, HEA, on December 21, 2016, which is 60 days after it  
3 mailed the notice of election.<sup>9</sup> Because AEEC intends to mail the ballot on  
4 December 21, 2016, the applicable 30-day window for its sole member to mail the ballot  
5 to us is January 20, 2017. We will certify the election within 60 days after December 21,  
6 2016, or by February 19, 2017.<sup>10</sup>

7 The ballot mailed to us by AEEC's sole member will be processed in  
8 accordance with the provisions of 3 AAC 49.050. We will wait 10 days after the  
9 deadline for mailing the ballot before we verify and tabulate the ballot we receive.<sup>11</sup> We  
10 schedule the ballot counting to take place at 11 a.m. on January 30, 2017.

11 Under 3 AAC 49.080(a), HEA is required to file with us a list of the  
12 members to whom it mails a notice of the election. Under 3 AAC 49.020(c), HEA is  
13 required to file with us a list of the members to whom it mails or delivers a ballot.

14 Commission Panel

15 The chairman designates Commissioners Stephen McAlpine, Rebecca L.  
16 Pauli, Norman Rokeberg, and Janis W. Wilson and himself as the commission panel<sup>12</sup>  
17 and further designates himself as the commission docket manager.

18 Administrative Law Judge

19 Under AS 42.04.070(b), the chairman appoints Administrative Law Judge  
20 Debra J. Brandwein to facilitate conduct in this docket. The administrative law judge will  
21 issue procedural orders in this docket, unless the commission docket manager

22  
23 <sup>9</sup>Notice of Election at 1.

24 <sup>10</sup>AS 42.05.712(e).

25 <sup>11</sup>3 AAC 49.050(b).

26 <sup>12</sup>Under AS 42.04.080(a), the chairman designates a commission panel to hear,  
or, if a hearing is not required, to otherwise consider and decide docketed matters.

1 determines that a particular procedural order should be issued by the commission  
2 panel.<sup>13</sup> Orders issued by the administrative law judge will be considered orders of the  
3 commission for purposes of petitions for reconsideration under AS 42.05.171.

4 **ORDER**

5 THE COMMISSION FURTHER ORDERS:

6 1. By November 7, 2016, Alaska Electric and Energy Cooperative, Inc.  
7 shall file a sample of the mailing it intends to send to its member. The sample shall  
8 include the ballot, the small envelope in which the ballot is inserted, and the larger  
9 envelope containing the voter's certificate.

10 2. Commissioners Stephen McAlpine, Rebecca L. Pauli, Robert M.  
11 Pickett, Norman Rokeberg, and Janis W. Wilson are designated as the commission  
12 panel.

13 3. Commissioner Robert M. Pickett is designated as the commission  
14 docket manager.

15 4. Debra J. Brandwein is appointed as administrative law judge.

16 DATED AND EFFECTIVE at Anchorage, Alaska, this 28th day of October, 2016.

17 BY DIRECTION OF THE COMMISSION  
18 (Commissioner Rebecca L. Pauli,  
19 not participating)



24  
25 <sup>13</sup>The commission docket manager, after consultation with other members of the  
26 panel, may delegate to the administrative law judge whatever authority to issue  
procedural orders he or she considers necessary or advisable in this docket.