

Byron Mallott
Lieutenant Governor
State Capitol
Juneau, Alaska 99811
907.465.3520
WWW.LTGOV.ALASKA.GOV



530 West 7th Ave, Suite 1700
Anchorage, Alaska 99501
907.269.7460
LT.GOVERNOR@ALASKA.GOV

**OFFICE OF THE LIEUTENANT GOVERNOR
ALASKA**

MEMORANDUM

TO: Micaela Fowler
Department of Commerce, Community & Economic Development

FROM: Scott Meriwether, Office of the Lieutenant Governor 465.4081 

DATE: October 16, 2017

RE: Filed Permanent Regulations: Regulatory Commission of Alaska

Regulatory Commission of Alaska regulations re: annual operations report requirements for regulated utilities and pipeline carriers (3 AAC 47.060; 3 AAC 52.390; 3 AAC 53.290)

Attorney General File:	JU2016200189
Regulation Filed:	10/14/2017
Effective Date:	11/13/2017
Print:	224, January 2018

cc with enclosures: Linda Miller, Department of Law
Judy Herndon, LexisNexis

ORDER CERTIFYING THE CHANGES TO
REGULATIONS OF THE REGULATORY COMMISSION OF ALASKA

The attached 8 pages of regulations, dealing with annual ongoing reporting obligations (3 AAC 47, 3 AAC 52, and 3 AAC 53), are certified to be a correct copy of the regulation changes that the Regulatory Commission of Alaska adopted at its May 17, 2017, meeting, under the authority of AS 42.05.151 and after compliance with the Administrative Procedure Act (AS 44.62), specifically including notice under AS 44.62.190 and 44.62.200 and opportunity for public comment under AS 44.62.210.

This action is not expected to require an increased appropriation.

On the record, in considering public comments, the Regulatory Commission of Alaska paid special attention to the cost to private persons of the regulatory action being taken.

The regulation changes described in this order take effect on the 30th day after they have been filed by the lieutenant governor, as provided in AS 44.62.180.

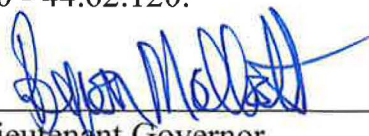
Date: June 28, 2017
Anchorage, Alaska



Robert M. Pickett, Chairman

FILING CERTIFICATION

I, Byron Mallott, Lieutenant Governor for the State of Alaska, certify that on October 14, 2017 at 6 P.m., I filed the attached regulations according to the provisions of AS 44.62.040 - 44.62.120.



Lieutenant Governor

Effective: November 13, 2017

Register: 224, January 2018

Register 224, January 2017 [§] COMMERCE, COMMUNITY, AND EC. DEV.

The introductory language of 3 AAC 47.060 is amended to read:

3 AAC 47.060. Annual reporting requirements. On or before April 30 of each year [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, in accordance with 3 AAC 48.095, on a form provided by the commission, a report containing

...

(Eff. 10/21/92, Register 124; readopt 12/1/95, Register 136; am 11/6/2016, Register 220; am 11 / 13 / 2017, Register 224)

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

3 AAC 52.390(m) is amended to read:

(m) On or before **April 30** [MARCH 31] of each year, an interexchange carrier **not eligible to register under 3 AAC 52.358** shall file, in accordance with 3 AAC 48.095, 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 **the following** detailed information [REGARDING]

(1) **the beginning and end-of-year balances of** ~~GROSS REVENUES;~~

(A) gross plant in service;

(B) net plant in service;

(C) inventory;


in bold/
under-
line)))

(D) prepayments;

(E) current assets;

(F) deferred tax assets;

(G) long-term debt;

(H) current liabilities;

(I) deferred tax liabilities; and

(J) shareholder equity; [GROSS REVENUES];

(2) from the income statement [SALE FOR RESALE REVENUES;]

(A) retail revenues;

(B) revenues from resale;

(C) access revenues;

(D) uncollectible revenue;

(E) gross operating revenue;

(F) operating expenses;

(G) interest on long-term debt;

(H) current tax expense; and

(I) net income; and

(3) end-of-year customer metrics [BILLING AND COLLECTION

REVENUES; AND]

(A) number of customers; and

(B) number of residential customers;

(4) DIRECTORY ASSISTANCE REVENUES;

3 AAC 52.390 is amended by adding a new subsection to read:

(p) On or before July 1 each year, to satisfy the annual operations reporting obligation under AS 42.05.451(b),

(1) a publicly held intrastate interexchange carrier, including a subsidiary of a publicly held corporation, shall file ^{in accordance with 3 AAC 48.095} its Securities and Exchange Commission Form 10-K Annual Report as of the end of the preceding fiscal year;

(2) a privately held intrastate interexchange carrier shall file ^{in accordance with 3 AAC 48.095} a full and complete annual report of the company's financial condition and operations on a stand-alone basis, if available, or on a consolidated basis at the parent company level as of the end of the preceding fiscal year ^{as follows:}

^{if the carrier's} (A) ^{the carrier's} a carrier whose financial statements are audited in the ordinary course of business ^{shall} must provide a copy of its audited financial statement,

accompanied by a copy of a management letter issued by the independent certified public accountant that performed the company's financial audit. ^{or lowercase} The carrier ^{shall} must make its audit and related work papers and financial information available upon request by the commission;

^{if the carrier's} (B) ^{the carrier's} a carrier whose financial statements are reviewed in the ordinary course of business ^{shall} must provide a copy of its financial statement ^{not audited but are independently} which ^{that} has been subject to review by an independent certified public accountant, accompanied by an officer certification that the carrier was not audited in the ordinary course of business for the preceding fiscal year ^{and that the reported}

Register 224, January 2017, COMMERCE, COMMUNITY, AND EC. DEV.

data is accurate. The carrier ^(lowercase) ~~must~~ ^{shall} make the review and related work papers and financial information available upon request by the commission; otherwise

if the carrier's financial statements are not audited or independently reviewed in the ordinary course of business, the

(C) a carrier ^{shall} ~~must~~ provide a copy of ^{the carrier's} ~~its~~ financial statement

containing a comparative balance sheet, income statement, and statement of cash flows, accompanied by an officer certification that the carrier was not audited ^{by or} ~~nor~~ had its financial statements reviewed by an independent certified

public accountant in the ordinary course of business for the preceding fiscal year

and that the reported data is accurate. The carrier ^(lowercase) ~~must~~ ^{shall} make its underlying records and other financial information available upon request by the

commission. (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

am 10/27/2017, Register 224;

215; am 11/6/2016, Register 220; am 11 / 13 / 2017, Register 224)

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

3 AAC 53.290(i) is amended to read:

(i) On or before **April 30** [MARCH 31] of each year, in accordance with 3 AAC 48.095, 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) the beginning and end-of-year balances of ~~[GROSS REVENUE;]~~

(A) gross plant in service;

(B) net plant in service;

(C) inventory;

(D) prepayments;

(E) current assets;

(F) deferred tax assets;

(G) long-term debt;

(H) current liabilities;

(I) deferred tax liabilities; and

(J) shareholder equity; [GROSS REVENUE];

(2) from the income statement [SALE FOR RESALE REVENUE;]

(((bold/underline)))

(A) retail revenues;

(B) revenues from resale;

(C) access revenues;

(D) billing and collection revenues;

(E) directory revenues;

(F) uncollectible revenue;

(G) gross operating revenue;

(H) operating expenses;

(I) interest on long-term debt;

(J) current tax expense; and

(K) net income; and

(((bold/underline)))

the following

(3) end-of-year customer metrics [ACCESS CHARGE REVENUE;]



(((bold/underline)))

(A) number of customers; and

(B) number of residential customers; [ACCESS CHARGE REVENUE;]

(4) BILLING AND COLLECTION REVENUE; AND

(5) DIRECTORY ASSISTANCE REVENUE. 1) transpose

3 AAC 53.290 is amended by adding new subsections to read:

(k) On or before July 1 each year, to satisfy the annual operations reporting obligation under AS 42.05.451(b),

(1) a publicly held local exchange carrier, including a subsidiary of a publicly held corporation shall file in accordance with 3 AAC 48.095 its Securities and Exchange Commission Form 10-K Annual Report as of the end of the preceding fiscal year;

(2) a privately held local exchange carrier shall file in accordance with 3 AAC 48.095 a full and complete annual report of the company's financial condition and operations on a stand-alone basis if available, or on a consolidated basis at the parent company level as of the end of the preceding fiscal year;

if the carrier is United States Department of Agriculture

(A) a recipient of loans from the Rural Utility Service (RUS) shall

provide a copy of its RUS Operating Report for Telecommunications Borrowers

as filed with the RUS. The carrier shall make its underlying audit and related

work papers and financial information available upon request by the commission;

(B) if the carrier's a carrier that is not a recipient of loans from the RUS and whose financial statements are audited in the ordinary course of business must

provide a copy of the carrier's audited financial statement, accompanied by a copy of a

management letter issued by the independent certified public accountant that performed the company's financial audit. The carrier ^{shall} ~~must~~ make its audit and related work papers and financial information available upon request by the

commission;

if the carrier is not a recipient of loans from the Rural Utilities Service and if the carrier's financial statements are not audited but are independently reviewed in the ordinary course of business, the carrier shall

(C) ~~a carrier must~~ provide a copy of ^{the carrier's} ~~its~~ financial statement ^{that} ~~which~~

has been subject to review by an independent certified public accountant, accompanied by an officer certification that the carrier was not audited in the ordinary course of business for the preceding fiscal year and that the reported data is accurate. The carrier ^{shall} ~~must~~ make the review and related work papers and financial information available upon request by the commission; otherwise

(D) ~~a carrier must~~ provide a copy of ^{the carrier's} ~~its~~ financial statement

containing a comparative balance sheet, income statement, and statement of cash flows, accompanied by an officer certification that the carrier was not audited ^{by or} ~~nor~~ had its financial statements reviewed by an independent certified public accountant in the ordinary course of business for the preceding fiscal year and that the reported data is accurate. The carrier ^{shall} ~~must~~ make its underlying records and other financial information available upon request by the commission;

(3) a local exchange carrier designated as an eligible telecommunications

carrier under 3 AAC 53.410 that has filed an annual report of the company's financial conditions and operations under 3 AAC 53.460 ^{fulfills} ~~will have fulfilled~~ the requirement of this subsection by filing a certification to this fact.

Register 224, January 2017, ³ COMMERCE, COMMUNITY, AND EC. DEV.

(l) an incumbent local exchange carrier with a certificated interexchange carrier affiliate under 3 AAC 52.360 shall file with its annual report, in accordance with 3 AAC 48.095, a certificate of compliance with the cost allocation principles prescribed by 47 C.F.R. 64.901 ~~as adopted by the commission~~ and in a form substantially identical to the certification required by 47 C.F.R. 64.905 ~~as published in the Federal Register on February 6, 2002~~. (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; am am 10/27/2017, Register 224; 11/6/2016, Register 220; am 11 / 13 / 2017, Register 224)

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

MEMORANDUM

State of Alaska
Department of Law

To: Hon. Byron Mallott
Lieutenant Governor

Date: October 13, 2017

File No.: JU2016200189

Tel. No.: 465-3600

From: Steven C. Weaver 
Sr. Assistant Attorney General
and Assistant Regulations Attorney
Legislation and Regulations Section

Re: Regulatory Commission of Alaska
regulations re: annual operations
report requirements for regulated
utilities and pipeline carriers (3 AAC
47.060; 3 AAC 52.390; 3 AAC
53.290)

We have reviewed the attached regulations from the Regulatory Commission of Alaska against the statutory standards of the Administrative Procedure Act. I have reviewed this project under a specific delegation dated October 13, 2017 from the Regulations Attorney. These regulations update annual operations report requirements for regulated utilities and pipeline carriers.

We find no legal problems. This memorandum constitutes the written statement of approval under AS 44.62.060(b) and (c) that authorizes your office to file the attached regulations.

The January 21, 2016 public notice, the February 15, 2017 public notice, and the June 28, 2017 certification of adoption order all state that this action is not expected to require an increased appropriation. Therefore, a fiscal note under AS 44.62.195 is not required.

Hon. Byron Mallott, Lieutenant Governor
Our file: JU2016200189

October 13, 2017
Page 2

We have made some technical corrections to the regulations in accordance with AS 44.62.125, as shown on the attached copy.

SCW

cc w/enc: (via email)

Stephen McAlpine, Chair
Regulatory Commission of Alaska

Micaela Fowler, Regulations Contact
Department of Commerce, Community, and Economic Development

J.P. Wood, Chief Administrative Law Judge and Regulations Specialist
Regulatory Commission of Alaska
Department of Commerce, Community, and Economic Development

James L. Walker, Hearing Examiner
Regulatory Commission of Alaska
Department of Commerce, Community, and Economic Development

David H. Parrish
Regulatory Commission of Alaska
Department of Commerce, Community, and Economic Development

Megyn A. Greider, Assistant Attorney General
Commercial and Fair Business Section

MEMORANDUM

State of Alaska Department of Law

TO: Hon. Byron Mallott
Lieutenant Governor

DATE: October 13, 2017

FILE NO.: JU2016200189

TELEPHONE NO.: (907) 465-3600

FROM: Susan R. Pollard *SRP*
Chief Assistant Attorney General
and Regulations Attorney
Legislation/Regulations Section

SUBJECT: Specific delegation of authority
regarding regulations review on
Regulatory Commission of
Alaska regulations re: annual
operations report requirements for
regulated utilities and pipeline
carriers (3 AAC 47.060; 3 AAC
52.390; 3 AAC 53.290)

By this memorandum, I am delegating my authority as Regulations Attorney under AS 44.62 to Assistant Attorney General Steven C. Weaver for the above-referenced regulations project. Under this delegation of authority, Steven Weaver has my full authority under AS 44.62 to conduct the legal review under AS 44.62 and take necessary actions on this regulations project.

If you have questions, please let me know.

SCW

cc w/enc: Scott C. Meriwether, AAC Coordinator
Office of the Lieutenant Governor

Steven C. Weaver
Sr. Assistant Attorney General and
Assistant Regulations Attorney
Legislation/Regulations Section

NOTICE OF PROPOSED CHANGES
IN ANNUAL REPORTING REQUIREMENTS REGULATIONS
OF THE REGULATORY COMMISSION OF ALASKA

The REGULATORY COMMISSION of ALASKA (Commission) proposes, in Docket R-15-005, to adopt regulations in Title 3 of the Alaska Administrative Code dealing with the annual operations reporting requirements of regulated utilities and pipeline carriers. Specifically, the Commission is considering revisions to the annual regulatory cost charge (RCC) reporting requirements. Also, the Commission is considering revisions to reporting requirements of public utilities that provide intrastate interexchange and local exchange telecommunications service.

For regulated utilities and pipeline carriers, the Commission is considering changing 3 AAC 47.060, by specifying an April 30 due date for the filing of the annual RCC report.

For intrastate interexchange carriers (IXCs), the Commission is considering:

- (1) changing the filing due date from March 31 to April 30, and replacing the current reporting requirements with the information required by the Commission since 2005 under directive of the Commission Chairman; and
- (2) requiring that verified financial statements be filed to satisfy the IXCs' AS 42.05.451(b) annual operations reporting requirements.

For local exchange carriers (LECs), the Commission is considering:

- (1) changing the filing due date from March 31 to April 30, and replacing the current reporting requirements with the information required by the Commission since 2005 under directive of the Commission Chairman;
- (2) requiring that verified financial statements be filed to satisfy the LECs' AS 42.05.451(b) annual operations reporting requirements; and
- (3) requiring incumbent LECs with certificated IXC affiliates to annually file a certificate of compliance with cost allocation principles prescribed by 47 C.F.R. 64.901.

You may comment on the proposed regulations changes, including the potential costs to private persons of complying with the proposed changes, by submitting written comments to the Regulatory Commission of Alaska at 701 West 8th Avenue, Suite 300,

Anchorage, Alaska 99501. Additionally, the Regulatory Commission of Alaska will accept comments via its website at:

<https://rca.alaska.gov/RCAWeb/WhatsNew/PublicNoticesComments.aspx>.

Comments may also be submitted through the Alaska Online Public Notice System, by accessing this notice on the system and using the "comment" link. Initial comments must be received no later than 5:00 p.m., on March 16, 2017, and should reference Docket R-15-005.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact Joyce McGowan at (907) 276-6222, toll-free at 1-800-390-2782, TTY (907) 276-4533, via electronic mail to rca.mail@alaska.gov no later than March 9, 2017, to ensure that any necessary accommodations can be provided.

Since this is a regulation proceeding, commenters are not required to serve their comments on the other entities set out on the service list of this notice. Interested persons may request from the Commission copies of the comments filed in this proceeding. For a copy of the proposed regulation changes and related material, contact the Commission's Records & Filings Section at the above address or at (907) 276-6222 or go to: <http://rca.alaska.gov/RCAWeb/home.aspx>. Those seeking to obtain the materials at the website may select "All Open Rule-making Dockets" under *Top Searches*, and choose Matter Number "R-15-005."

After the public comment period ends, the Regulatory Commission of Alaska will either adopt the proposed regulation changes or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulations may be different from that of the proposed regulations. **YOU SHOULD COMMENT DURING THE TIME ALLOWED IF YOUR INTERESTS COULD BE AFFECTED.** Written comments received are public records and are subject to public inspection.

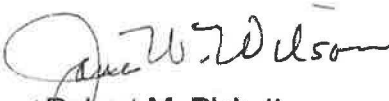
Statutory Authority: AS 42.05.141; AS 42.05.151

Statutes Being Implemented, Interpreted, or Made Specific: AS 42.05.141; AS 42.05.145; AS 42.05.151; AS 42.05.254; AS 42.05.291; AS 42.05.451; AS 42.05.800; AS 42.06.140; AS 42.06.286

Fiscal Information: The proposed regulation changes are not expected to require an increased appropriation.

DATED at Anchorage, Alaska, this 14th day of February, 2017.

REGULATORY COMMISSION OF ALASKA


for Robert M. Pickett
Chairman

NOTICE OF PROPOSED CHANGES
IN THE ANNUAL OPERATIONS REPORTING REQUIREMENTS REGULATIONS
OF THE REGULATORY COMMISSION OF ALASKA

The REGULATORY COMMISSION of ALASKA (Commission) proposes, in Docket R-15-005, to adopt regulations in Title 3 of the Alaska Administrative Code dealing with the annual operations reporting requirements of regulated utilities. Specifically, the Commission is considering revisions to reporting requirements of public utilities that provide intrastate interexchange and local exchange telecommunications service. Annual operations reporting requirement revisions for electric, natural gas, and water/wastewater utilities will be issued for public comment at a future date.

For intrastate interexchange carriers (IXCs), the Commission is considering:

- (1) changing the filing due date from March 31 to April 30, and replacing the current reporting requirements with the information required by the Commission since 2005 under directive of the Commission Chairman; and
- (2) requiring that verified financial statements be filed to satisfy the IXCs' AS 42.05.451(b) annual operations reporting requirements.

For local exchange carriers (LECs), the Commission is considering:

- (1) changing the filing due date from March 31 to April 30, and replacing the current reporting requirements with the information required by the Commission since 2005 under directive of the Commission Chairman;
- (2) requiring that verified financial statements be filed to satisfy the LECs' AS 42.05.451(b) annual operations reporting requirements; and
- (3) requiring incumbent LECs with certificated IXC affiliates to annually file a certificate of compliance with cost allocation principles prescribed by 47 C.F.R. 64.901.

You may comment on the proposed regulation changes, including the potential costs to private persons of complying with the proposed changes, by submitting written comments to the Regulatory Commission of Alaska at 701 West 8th Avenue, Suite 300, Anchorage, Alaska 99501. Additionally, the Regulatory Commission of Alaska will accept comments via its website at:

<https://rca.alaska.gov/RCAWeb/WhatsNew/PublicNoticesComments.aspx>

Comments may also be submitted through the Alaska Online Public Notice System, by accessing this notice on the system and using the "comment" link. Initial comments must be received no later than 5:00 p.m., on Friday, February 19, 2016, and should reference Docket R-15-005. Reply comments must be received no later than 5:00 p.m., March 11, 2016 and should also reference Docket R-15-005.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact Joyce McGowan at (907) 276-6222, toll-free at 1-800-390-2782,

TTY (907) 276-4533, via electronic mail to rca.mail@alaska.gov no later than Friday, February 12, 2016 to ensure that any necessary accommodations can be provided.

Since this is a regulation proceeding, commenters are not required to serve their comments on the other entities set out on the service list of this notice. Interested persons may request from the Commission copies of the comments filed in this proceeding. For a copy of the proposed regulation changes and related material, contact the Commission's Records & Filings Section at the above address or at (907) 276-6222 or go to: <http://rca.alaska.gov/RCAWeb/home.aspx>. Those seeking to obtain the materials at the website may select "All Open Rule-making Dockets" under *Top Searches*, and choose Matter Number "R-15-005."

After the public comment period ends, the Regulatory Commission of Alaska will either adopt the proposed regulation changes or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulations may be different from that of the proposed regulations. YOU SHOULD COMMENT DURING THE TIME ALLOWED IF YOUR INTERESTS COULD BE AFFECTED. Written comments received are public records and are subject to public inspection.

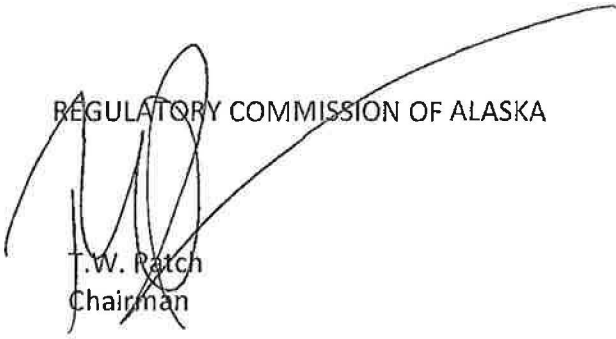
Statutory Authority: AS 42.05.141; AS 42.05.151

Statutes Being Implemented, Interpreted, or Made Specific: AS 42.05.141; AS 42.05.145; AS 42.05.151; AS 42.05.291; AS 42.05.451; AS 42.05.711; AS 42.05.800; AS 42.05.990.

Fiscal Information: The proposed regulation changes are not expected to require an increased appropriation.

DATED at Anchorage, Alaska, this 20th day of January, 2016.

REGULATORY COMMISSION OF ALASKA


T.W. Ratch
Chairman

ADDITIONAL REGULATIONS NOTICE INFORMATION
(AS 44.62.190(g))

1. Adopting agency: Regulatory Commission of Alaska
2. General subject of regulation: annual ongoing reporting obligations
3. Citation of regulation (may be grouped): 3 AAC 47.060, 3 AAC 52.390, 3 AAC 53.290
4. Department of Law file number, if any: JU2016200189
5. Reason for the proposed action:
☐ Compliance with federal
☐ Compliance with new or changed state statute
☐ Compliance with court order
☐ Development of program standards
☒ Other (please list): updating regulatory cost charge annual reporting requirements for regulated utilities and pipeline carriers, and updating annual operations reporting requirements for telecommunications carriers
6. Appropriation/Allocation: Regulatory Commission of Alaska
7. Cost of implementation to the state agency and available funding (in thousands of dollars):

	Initial Year FY <u>17</u>	Subsequent Years
Operating Cost	\$ <u>0</u>	\$ <u>0</u>
Capital Cost	\$ <u>0</u>	\$ <u>0</u>
1002 Federal receipts	\$ <u>0</u>	\$ <u>0</u>
1003 General fund match	\$ <u>0</u>	\$ <u>0</u>
1004 General fund	\$ <u>0</u>	\$ <u>0</u>
1005 General fund/ program	\$ <u>0</u>	\$ <u>0</u>
1037 General fund/ mental health	\$ <u>0</u>	\$ <u>0</u>
Other	\$ <u>0</u>	\$ <u>0</u>

8. The name of the contact person for the regulations:

Name: James L. Walker

Title: Administrative Law Judge

Address: 701 W. Eighth Avenue, Suite 300

Anchorage, Alaska 99501

Telephone: 907-263-2138

E-mail address jim.walker@alaska.gov

9. The origin of the proposed action:

☒ Staff of state agency

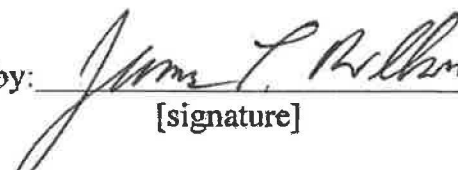
☐ Federal government

☐ General public

☐ Petition for regulation change

☐ Other (identify)

10. Date: February 9, 2017 Prepared by:



[signature]

Name: James L. Walker

Title: Administrative Law Judge

Telephone: 907-263-2138

ADDITIONAL REGULATION NOTICE INFORMATION
(AS 44.62.190(g))

1. Adopting agency: Regulatory Commission of Alaska
2. General subject of regulation: Annual Operations Reporting Obligations
3. Citation of regulation (may be grouped): 3 AAC 52.390 and 3 AAC 53.290
4. Department of Law file number, if any: Not yet assigned

5. Reason for the proposed action:

() Compliance with federal law
() Compliance with new or changed state statute
() Compliance with court order
() Development of program standards
(X) Other (identify): Update to annual operations reporting requirements for telecommunications utilities.

6. Appropriation/Allocation: N/A

7. Cost of implementation to the state agency and available funding (in thousands of dollars):

	Initial Year FY <u>2016</u>	Subsequent Years
Operating Cost	\$ <u>0</u>	\$ <u>0</u>
Capital Cost	\$ <u>0</u>	\$ <u>0</u>
1002 Federal receipts	\$ <u>0</u>	\$ <u>0</u>
1003 General fund match	\$ <u>0</u>	\$ <u>0</u>
1004 General fund	\$ <u>0</u>	\$ <u>0</u>
1005 General fund/ program	\$ <u>0</u>	\$ <u>0</u>
Other (identify)	\$ <u>0</u>	\$ <u>0</u>

8. The name of the contact person for the regulation:

Name: Richard Gazaway
Title: Advisory Section Manager
Address: 701 W. Eighth Avenue, Suite 300

Anchorage, AK 99501
Telephone: 907-263-2164
E-mail address: richard.gazaway@alaska.gov

9. The origin of the proposed action:

- ☒ Staff of state agency
☐ Federal government
☐ General public
☐ Petition for regulation change
☐ Other (identify) _____

10. Date: January 20, 2016

Prepared by: _____

[signature]

Name (printed) T.W. Patch

Title (printed): Chairman

Telephone: 907-276-6222

AFFIDAVIT OF NOTICE OF PROPOSED REGULATION
AND FURNISHING OF ADDITIONAL INFORMATION

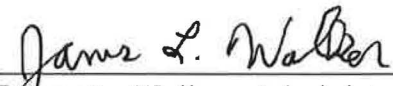
I, James L. Walker, Administrative Law Judge, of Regulatory Commission of Alaska, being sworn, state the following:

As required by AS 44.62.190, notice of the proposed adoption of changes to annual ongoing reporting obligations (3 AAC 47.060, 3 AAC 52.390, 3 AAC 53.290) has been given by being

- (1) published in a newspaper or trade publication;
- (2) furnished to interested persons;
- (3) furnished to appropriate state officials;
- (4) furnished to the Department of Law, along with a copy of the proposed regulation;
- (5) furnished electronically to incumbent State of Alaska legislators;
- (6) furnished to the Legislative Affairs Agency, Division of Legal and Research Services;
- (7) posted on the Alaska Online Public Notice System as required by AS 44.62.175(a)(1) and (b) and 44.62.190(a)(1);
- (8) furnished electronically, along with a copy of the proposed regulation, to the Legislative Affairs Agency, the chair of the Labor & Commerce Committee of the Alaska Senate and House of Representatives, the Administrative Regulation Review Committee, and the legislative council.

As required by AS 44.62.190, additional regulation notice information regarding the proposed adoption of the regulation changes described above has been furnished to interested persons and those in (5) and (6) of the list above. The additional regulation notice information also has been posted on the Alaska Online Public Notice System.

Date: June 28, 2017



James L. Walker, Administrative Law Judge

Subscribed and sworn to before me at Anchorage, Alaska, on 6.28.17.



Notary Public in and for the State of Alaska
My commission expires with this office.

268448
0001400304
\$428.30

AFFIDAVIT OF PUBLICATION

STATE OF ALASKA
THIRD JUDICIAL DISTRICT

Emma Dunlap
being first duly sworn on oath deposes and
says that he/she is a representative of the
Alaska Dispatch News, a daily newspaper.
That said newspaper has been approved
by the Third Judicial Court, Anchorage,
Alaska, and it now and has been published
in the English language continually as a
daily newspaper in Anchorage, Alaska, and
it is now and during all said time was
printed in an office maintained at the
aforesaid place of publication of said
newspaper. That the annexed is a copy of
an advertisement as it was published in
regular issues (and not in supplemental
form) of said newspaper on

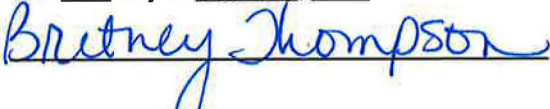
February 15, 2017

and that such newspaper was regularly
distributed to its subscribers during all of
said period. That the full amount of the fee
charged for the foregoing publication is not
in excess of the rate charged private
individuals.

Signed



Subscribed and sworn to before me
this 15th day of February, 2017



Notary Public in and for
The State of Alaska.
Third Division
Anchorage, Alaska
MY COMMISSION EXPIRES

2/23/2019

Notary Public
BRITNEY L. THOMPSON
State of Alaska
My Commission Expires Feb 23, 2019

AO#08-106972-17

NOTICE OF PROPOSED CHANGES IN ANNUAL REPORTING REQUIREMENTS REGULATIONS OF THE REGULATORY COMMISSION OF ALASKA

The REGULATORY COMMISSION of ALASKA (Commission) proposes, in Docket R 15-005, to adopt regulations in Title 3 of the Alaska Administrative Code dealing with the annual operations reporting requirements of regulated utilities and pipeline carriers. Specifically, the Commission is considering revisions to the annual regulatory cost charge (RCC) reporting requirements. Also, the Commission is considering revisions to reporting requirements of public utilities that provide intrastate interexchange and local exchange telecommunications service.

For regulated utilities and pipeline carriers, the Commission is considering changing 3 AAC 47.060, by specifying an April 30 due date for the filing of the annual RCC report.

For intrastate interexchange carriers (IXCs), the Commission is considering:

- (1) changing the filing due date from March 31 to April 30, and replacing the current reporting requirements with the information required by the Commission since 2005 under directive of the Commission Chairman; and
- (2) requiring that verified financial statements be filed to satisfy the IXCs' AS 42.05.451(b) annual operations reporting requirements.

For local exchange carriers (LECs), the Commission is considering:

- (1) changing the filing due date from March 31 to April 30, and replacing the current reporting requirements with the information required by the Commission since 2005 under directive of the Commission Chairman;
- (2) requiring that verified financial statements be filed to satisfy the LECs' AS 42.05.451(b) annual operations reporting requirements; and
- (3) requiring incumbent LECs with certificated IXC affiliates to annually file a certificate of compliance with cost allocation principles prescribed by 47 C.F.R. 64.901.

You may comment on the proposed regulations changes, including the potential costs to private persons of complying with the proposed changes, by submitting written comments to the Regulatory Commission of Alaska at 701 West 8th Avenue, Suite 300, Anchorage, Alaska 99501. Additionally, the Regulatory Commission of Alaska will accept comments via its website at:

<https://rca.alaska.gov/RCAWeb/WhatsNew/PublicNoticesComments.aspx>.

Comments may also be submitted through the Alaska Online Public Notice System, by accessing this notice on the system and using the "comment" link. Initial comments must be received no later than 5:00 p.m., on March 16, 2017, and should reference Docket R-15-005.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact Joyce McGowan at (907) 276-6222, toll-free at 1-800-390-2782, TTY (907) 276-4533, via electronic mail to rca.mail@alaska.gov no later than March 9, 2017, to ensure that any necessary accommodations can be provided.

Since this is a regulation proceeding, commenters are not required to serve their comments on the other entities set out on the service list of this notice. Interested persons may request from the Commission copies of the comments filed in this proceeding. For a copy of the proposed regulation changes and related material, contact the Commission's Records & Filings Section at the above address or at (907) 276-6222 or go to: <http://rca.alaska.gov/RCAWeb/home.aspx>. Those seeking to obtain the materials at the website may select "All Open Rule-making Dockets" under Top Searches, and choose Matter Number "R-15-005."

After the public comment period ends, the Regulatory Commission of Alaska will either adopt the proposed regulation changes or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulations may be different from that of the proposed regulations. YOU SHOULD COMMENT DURING THE TIME ALLOWED IF YOUR INTERESTS COULD BE AFFECTED. Written comments received are public records and are subject to public inspection.

Statutory Authority: AS 42.05.141; AS 42.05.151

Statutes Being Implemented, Interpreted, or Made Specific: AS 42.05.141; AS 42.05.145; AS 42.05.151; AS 42.05.254; AS 42.05.291; AS 42.05.451; AS 42.05.800; AS 42.06.140; AS 42.06.286

Fiscal Information: The proposed regulation changes are not expected to require an increased appropriation.

DATED at Anchorage, Alaska, this 14th day of February, 2017.

REGULATORY COMMISSION OF ALASKA

Robert M. Pickett
Chairman

Published: February 15, 2017

268448
0001378827
\$527.90

R.C.A.
RECEIVED

16 JAN 25 AM 11:42

AFFIDAVIT OF PUBLICATION

STATE OF ALASKA
THIRD JUDICIAL DISTRICT

Emma Dunlap
being first duly sworn on oath deposes and
says that he/she is a representative of the
Alaska Dispatch News, a daily newspaper.
That said newspaper has been approved
by the Third Judicial Court, Anchorage,
Alaska, and it now and has been published
in the English language continually as a
daily newspaper in Anchorage, Alaska, and
it is now and during all said time was
printed in an office maintained at the
aforesaid place of publication of said
newspaper. That the annexed is a copy of
an advertisement as it was published in
regular issues (and not in supplemental
form) of said newspaper on

January 21, 2016

and that such newspaper was regularly
distributed to its subscribers during all of
said period. That the full amount of the fee
charged for the foregoing publication is not
in excess of the rate charged private
individuals.

Signed

Emma Dunlap

Subscribed and sworn to before me
this 21st day of January, 2016

Britney Thompson

Notary Public in and for
The State of Alaska.
Third Division
Anchorage, Alaska

MY COMMISSION EXPIRES

Notary Public
BRITNEY L. THOMPSON
State of Alaska

My Commission Expires Feb 23, 2019

NOTICE OF PROPOSED CHANGES IN THE ANNUAL OPERATIONS REPORTING REQUIREMENTS REGULATIONS OF THE REGULATORY COMMISSION OF ALASKA

The REGULATORY COMMISSION of ALASKA (Commission) proposes, in Docket R-15-005, to adopt regulations in Title 3 of the Alaska Administrative Code dealing with the annual operations reporting requirements of regulated utilities. Specifically, the Commission is considering revisions to reporting requirements of public utilities that provide intrastate interexchange and local exchange telecommunications service. Annual operations reporting requirement revisions for electric, natural gas, and water/wastewater utilities will be issued for public comment at a future date.

For intrastate interexchange carriers (IXCs), the Commission is considering:

- (1) changing the filing due date from March 31 to April 30, and replacing the current reporting requirements with the information required by the Commission since 2005 under directive of the Commission Chairman; and
- (2) requiring that verified financial statements be filed to satisfy the IXCs' AS 42.05.451(b) annual operations reporting requirements.

For local exchange carriers (LECs), the Commission is considering:

- (1) changing the filing due date from March 31 to April 30, and replacing the current reporting requirements with the information required by the Commission since 2005 under directive of the Commission Chairman;
- (2) requiring that verified financial statements be filed to satisfy the LECs' AS 42.05.451(b) annual operations reporting requirements; and
- (3) requiring incumbent LECs with certificated IXC affiliates to annually file a certificate of compliance with cost allocation principles prescribed by 47 C.F.R. 64.901.

You may comment on the proposed regulation changes, including the potential costs to private persons of complying with the proposed changes, by submitting written comments to the Regulatory Commission of Alaska at 701 West 8th Avenue, Suite 300, Anchorage, Alaska 99501. Additionally, the Regulatory Commission of Alaska will accept comments via its website at:

<https://rca.alaska.gov/RCAWeb/WhatsNew/PublicNoticesComments.aspx>

Comments may also be submitted through the Alaska Online Public Notice System, by accessing this notice on the system and using the "comment" link. Initial comments must be received no later than 5:00 p.m., on Friday, February 19, 2016, and should reference Docket R-15-005. Reply comments must be received no later than 5:00 p.m., March 11, 2016 and should also reference Docket R-15-005.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact Joyce McGowan at (907) 276-6222, toll-free at 1-800-390-2782, TTY (907) 276-4533, via electronic mail to rca.mail@alaska.gov no later than Friday, February 12, 2016 to ensure that any necessary accommodations can be provided.

Since this is a regulation proceeding, commenters are not required to serve their comments on the other entities set out on the service list of this notice. Interested persons may request from the Commission copies of the comments filed in this proceeding. For a copy of the proposed regulation changes and related material, contact the Commission's Records & Filings Section at the above address or at (907) 276-6222 or go to: <http://rca.alaska.gov/RCAWeb/home.aspx>. Those seeking to obtain the materials at the website may select "All Open Rule-making Dockets" under Top Searches, and choose Matter Number "R-15-005."

After the public comment period ends, the Regulatory Commission of Alaska will either adopt the proposed regulation changes or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulations may be different from that of the proposed regulations. YOU SHOULD COMMENT DURING THE TIME ALLOWED IF YOUR INTERESTS COULD BE AFFECTED. Written comments received are public records and are subject to public inspection.

Statutory Authority: AS 42.05.141; AS 42.05.151

Statutes Being Implemented, Interpreted, or Made Specific: AS 42.05.141; AS 42.05.145; AS 42.05.151; AS 42.05.291; AS 42.05.451; AS 42.05.711; AS 42.05.800; AS 42.05.990.

Fiscal Information: The proposed regulation changes are not expected to require an increased appropriation.

DATED at Anchorage, Alaska, this 20th day of January, 2016.

REGULATORY COMMISSION OF ALASKA

T.W. Patch
Chairman

Published: January 21, 2016

AO#08-106748-16

AFFIDAVIT OF COMMISSION ACTION

I, Steven Kramer, Common Carrier Specialist IV, for the Regulatory Commission of Alaska, being duly sworn, state the following:

The attached motion dealing with annual ongoing reporting obligations was passed by the Regulatory Commission of Alaska during its May 17, 2017, meeting.

Date: June 22, 2017


Steven Kramer, Common Carrier Specialist IV

Subscribed and sworn to before me at Anchorage, Alaska, on 6.22.17.


Notary Public in and for the State of Alaska
My commission expires with this office.

REGULATORY COMMISSION OF ALASKA
Continuation of Public Meeting

May 17, 2017

1 STATE OF ALASKA
2 REGULATORY COMMISSION OF ALASKA
3
4
5 Before Commissioners: Robert M. Pickett, Chairman
Stephen McAlpine
6 Rebecca Pauli
Norman Rokeberg
7 Janis W. Wilson
8
9
10
11
12
13
14
15

16 REGULATORY COMMISSION OF ALASKA
17 701 West Eighth Avenue, Suite 300
18 Anchorage, Alaska 99501

19 CONTINUATION OF THE PUBLIC MEETING
May 17, 2017
9:00 a.m.
20
21
22
23
24
25

1	TABLE OF CONTENTS		
2	ITEM	ISSUE	PAGE
3	1	Public Participation	115
4	2	R-15-004 - In the Matter of the	125
5		Consideration of Regulations Governing	
6		Ongoing Reporting Obligations	
7	3	R-15-005 - In the Matter of the	115
8		Consideration of Revisions to	
9		Regulations Governing Annual Operations	
10		Reports for Economically Regulated	
11		Utilities and Pipeline Carriers	
12	4	Other Business	174
13	5	Executive Session as Required	174
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			

1 P R O C E E D I N G S

2 CHAIRMAN PICKETT: Good morning.

3 This is a continuation of the public meeting from
4 Wednesday, May the 10th, 2017. Today is
5 Wednesday, May the 17th, 2017, at 9:00 a.m. With
6 me on the dais are Commissioners Pauli,
7 Commissioner McAlpine, and Commissioner Wilson.
8 Commissioner Rokeberg is on his way. We will be
9 adjusting the order of business to accommodate
10 that.

11 Is there any member of the public who would
12 care to address the Commission this morning? Is
13 there anyone online who would care to address the
14 Commission?

15 Hearing none, we will close agenda item
16 number one. We will now jump over item number two
17 and go to item number three, which is R-15-005, In
18 the Matter of the Consideration of Revisions to
19 Regulations Governing Annual Operations Reports
20 for Economically Regulated Utilities and Pipeline
21 Carriers.

22 Commissioner McAlpine?

23 COMMISSIONER MCALPINE: Thank you,
24 Mr. Chairman. I almost feel guilty that so many
25 people showed up and this is going to go so

1 quickly. R-15-005 has been discussed so many
2 times and we had opened it up for further comment.
3 So, Mr. Kramer, if you could address just the
4 changes that have taken place since we last
5 noticed this, and we'll go from there.

6 MR. KRAMER: Yes. I could do a
7 summary of the comments that we received as well,
8 if you would like.

9 COMMISSIONER MCALPINE: Please.

10 MR. KRAMER: Generally, the
11 comments that we received were supportive of the
12 revised regulations. However, there was a concern
13 over the July 1 reporting date that was proposed
14 for 3 AAC 52.390(p) and 53.290 (k), which I can
15 get into later.

16 But the first regulation which would have
17 been on the annual operating reports for the RCC,
18 the regulatory cost charge annual report, we
19 received no comments in opposition. Actually, we
20 received comments in support of that. So there
21 really is nothing to do on that.

22 So on the changes that we made in the other
23 regulations, I would like to pair 3 AAC 52.390(m)
24 and the 53.290(i) reports since they are similar.
25 The first one that I mentioned is for the

1 intrastate interexchange carriers, and the second
2 report that I mentioned was for the local exchange
3 carriers.

4 The changes that were made from proposal
5 number four was that we tweaked the language to
6 address Chugach's concern and made it more
7 understandable what the items are to be reported
8 in the reports.

9 And the second change -- and this is only in
10 the requirement for the IXC's -- is that staff
11 exempted our registered IXC's from having to file
12 this report. And I can explain the reasons why
13 that was made if you care to hear.

14 COMMISSIONER MCALPINE: Go ahead.

15 MR. KRAMER: Sure. So the first
16 reason is because there's a whole separate process
17 in place for registered IXC's, as they have to
18 annually renew their registration under
19 3 AAC 52.358. And in the application process, we
20 do not ask for financial information when they
21 apply to be registered.

22 Therefore, staff thought it was unusual for
23 the Commission to ask for financial information
24 once they're already in place. So it's just
25 trying to be consistent with the application

1 process.

2 And the third reason is because our
3 registered IXCs, they do not pay the RCC. So we
4 don't really need that information to calculate
5 RCCs for them. So that was the -- basically the
6 changes on those two requirements.

7 Now, I would also like to pair the 52.390(p)
8 and the 53.290(k). Again, the first one is for
9 IXCs, and the second one is for LECs. So,
10 generally, those requirements state -- and this
11 regulation was built to address the verification
12 requirement in our annual operating reports.

13 Because the statute says that public
14 utilities need to file verified annual operating
15 reports. And the reports that we just talked
16 about, there's no verification element to that.
17 So the second group of regulations was proposed to
18 handle the verification.

19 So, generally, if a utility is a publicly
20 traded company, that we would accept their SEC
21 Form 10-K to satisfy that. And, if they're a
22 privately held company, that they would file
23 either audited or reviewed financial statements
24 only if it's done in the normal course of
25 business. If it's not done in the normal course

1 of business, we are requiring a full set of
2 financial statements with a corporate officer
3 attesting to their accuracy.

4 There's a couple minor changes that were made
5 in this one. First of all, staff accepted GCI's
6 suggestion that a subsidiary of a publicly traded
7 company could file the SEC form to meet this
8 requirement. Also, staff changed the
9 term "holding company" to "parent company." I did
10 some research in what the proper accounting term
11 was and I came up with "parent" as better
12 describing than what "holding" is.

13 And, also, the final change on that was to
14 add in our permissive electronic filing
15 requirements that we just adopted in Docket
16 R-15-002 because that had not previously been in
17 this report.

18 The only thing -- okay. Then the last
19 regulation was 53.290(1). And the only change to
20 that was, again, adding the permissive electronic
21 filing to this report.

22 Now, I want to talk about the July 1st
23 timeline. So staff appreciated the commenters
24 expressing their concerns with the July 1 filing
25 date, as it conflicts with statute and that this

1 needed to be addressed. The statute provides that
2 within 90 days after the close of the authorized
3 annual accounting period or additional time
4 granted upon showing of good cause, a public
5 utility shall file with the Commission a verified
6 annual report.

7 So establishing July 1st for the telecoms
8 would synchronize the annual operating report
9 filing date with the federal filing dates that
10 Alaska utilities adhere to under federal ETC rules
11 in 47 C.F.R. 54.313. And staff believes that
12 making the filing requirement similar for all
13 telephone companies would minimize confusion for
14 industry and, to be quite frank, Commission staff.

15 Therefore, staff recommends that the
16 Commission find good cause to grant an annual
17 operating report date of July 1st for the IXC's and
18 for the LECs on a permanent basis. And if that's
19 not -- there's also an alternative two under the
20 AS 42.05.711(d) exemption which provides that the
21 Commission can exempt a class of utilities from
22 all or a portion of AS 42.05 if the Commission
23 finds that is in the public interest.

24 So I think we have several options to go to
25 to get the July 1st date into effect somehow.

1 Anyway, that's all I really have to report. If
2 you have any questions...

3 COMMISSIONER MCALPINE: No.

4 CHAIRMAN PICKETT: Any Commissioner
5 questions for Mr. Kramer? Commissioner Wilson?

6 COMMISSIONER WILSON: I'd like to
7 hear from Mr. Goering on the item that Mr. Kramer
8 just addressed.

9 MR. GOERING: Thank you,
10 Commissioner Wilson. As Mr. Kramer indicates, the
11 statute itself includes a provision that allows
12 the Commission to relax the filing date on a
13 showing of good cause. And he also correctly
14 indicated that even if that were not something
15 that could be done on a blanket basis, that the
16 Commission has the authority under 42.05.711(d) to
17 modify that on a showing that that's in the public
18 interest. And the reasons indicated would -- if
19 the Commission agreed with him -- would certainly
20 be sufficient to do that.

21 I guess what I'd point out is that the
22 finding of good cause to extend a deadline or to
23 change a deadline, in some cases shorten it, is
24 not unusual in your regulations. For example, in
25 the telecom field itself, you have tariffs that

1 take effect in much less than 45 days' notice.
2 That statute provides that you can shorten the
3 timeline on a showing of good cause. And you've
4 done that in regulation and found that there's
5 good cause for that. You've done the same thing
6 with COPA filings and gas cost adjustment filings
7 that take effect in less than 45 days' notice.

8 And there are a variety of other places where
9 you've exercised a good cause standard on a
10 blanket basis for a class of utilities or class of
11 filings. So it's not particularly unusual to do
12 that here.

13 Probably the thing you could not do is move
14 that time up. If you decided you wanted to see
15 those reports on February 15th, you probably could
16 not do that. But moving it back to July 1st or
17 eliminating it entirely would be within the
18 Commission's authority.

19 COMMISSIONER MCALPINE:
20 Mr. Goering, when you say "on a blanket basis,"
21 are you referring to our extending it ad infinitum
22 on a good cause showing?

23 MR. GOERING: Yes. So you're
24 accepting the concept that there is good cause
25 shown to change the filing date from March 31st to

1 July 1st on an essentially permanent basis. That
2 certainly is subject to being revisited by the
3 Commission if you, through a regulations revision,
4 decide that some other date is appropriate.

5 You could move it back to March 31st or
6 change it to some other date if they became
7 appropriate. But as of today and for the
8 foreseeable future, that certainly appears to be
9 appropriate.

10 COMMISSIONER MCALPINE: And my only
11 thought about it was that if we did it on a
12 blanket basis -- which is what we intend to do --
13 when it gets to the regs attorneys, they're going
14 to look at the statute and say this is in
15 conflict.

16 Have you already discussed it with them, or
17 are you comfortable that's going to pass through?

18 MR. GOERING: Well, as I've
19 mentioned, you've done this multiple times in your
20 other regulations. It's not a particularly
21 controversial thing for a Commission or an agency
22 to make a determination on a class of
23 circumstances as opposed to doing it on a
24 case-by-case basis.

25 So, I mean, you certainly could do it on a

1 case-by-case basis. But I believe what your staff
2 is telling you is that that would be unnecessarily
3 burdensome and there would not be any
4 corresponding benefit to doing it on a
5 case-by-case basis.

6 COMMISSIONER MCALPINE: That is
7 correct. Okay.

8 CHAIRMAN PICKETT: Let the record
9 reflect that Commissioner Rokeberg has joined us.
10 So what is the recommendation of the CDM?

11 COMMISSIONER MCALPINE: I'd move
12 approval, Mr. Chairman, of 15-005. And let me --
13 before I do that, Mr. Kramer, did you or staff
14 have anything else you wanted to --

15 MR. KRAMER: Yes. What was
16 provided to the audience and to you was a markup
17 of what the regulations would -- that we would
18 adopt if so moved.

19 CHAIRMAN PICKETT: And just for the
20 record, you're referring to a document that at the
21 bottom says, "R-15-005(5), Appendix, Page 1 of 8,
22 Last updated 5/16/2017"; is that correct?

23 MR. KRAMER: That is correct.

24 COMMISSIONER MCALPINE: Did you
25 have any further input that you wanted to provide?

1 MR. KRAMER: Oh, no. I thought it
2 would be easier if the recommendation would be,
3 move to accept this instead of going through the
4 matrix one by one and accepting the same -- option
5 two, option three, option four, sort of thing.

6 COMMISSIONER MCALPINE: As I
7 observed at the outfit -- or at the outfit -- the
8 outset, we've gone over this enough times in
9 public meetings and with industry that I'm
10 comfortable that everyone's had plenty of time to
11 digest all of it.

12 So, Mr. Chairman, I would move for approval.

13 CHAIRMAN PICKETT: Is there a
14 second?

15 COMMISSIONER ROKEBERG: Second.

16 CHAIRMAN PICKETT: Further
17 discussion?

18 Seeing none, we'll move on to the vote. All
19 those in favor say aye.

20 (Collective aye.)

21 CHAIRMAN PICKETT: Opposed?

22 Passes unanimously. That will close out
23 agenda item number three.

24 we'll go back to agenda item number two,
25 R-15-004, In the Matter of the Consideration of