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Lieutenant Governor
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**OFFICE OF THE LIEUTENANT GOVERNOR
ALASKA**

M E M O R A N D U M

TO: Laura Barson, Hearing Examiner 2
Regulatory Commission of Alaska

FROM: April Simpson, Alaska Administrative Code Coordinator 
Office of the Lieutenant Governor

DATE: March 23, 2026

RE: Filed Permanent Regulations: Regulatory Commission of Alaska
Regulatory Commission of Alaska regulations re: Voluntary Community Energy Act (3 AAC 50.950 - .999)

Attorney General File:	2025200392
Regulation Filed:	3/23/2026
Effective Date:	4/22/2026
Print:	258, July 2026

cc with enclosures: ToniMarie Gonzales, Paralegal 1
Department of Law

Lisa Gorman, Alaska Legal Analyst
LexisNexis



THE STATE
of ALASKA
GOVERNOR MIKE DUNLEAVY

Department of Law

CIVIL DIVISION

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March 20, 2026

The Honorable Nancy Dahlstrom
Lieutenant Governor
State of Alaska
P.O. Box 110015
Juneau, AK 99811-0015

Re: 3 AAC 50.950 - .999: RCA - Voluntary Community Energy Act
Our file: 2025200392

Dear Lieutenant Governor Dahlstrom:

The Department of Law has reviewed the attached regulations of the Regulatory Commission of Alaska against the statutory standards of the Administrative Procedure Act. Based upon our review, we find no legal problems. This letter constitutes the written statement of approval under AS 44.62.060(b) and (c) that authorizes your office to file the attached regulations. The regulations were adopted by the Regulatory Commission of Alaska after the close of the public comment period.

The regulations concern community energy facilities. The regulations implement a community energy program allowing small-scale renewable community energy generation facilities to be integrated into the generation portfolio of electric utilities.

The September 28, 2025 public notice and the February 5, 2026 certification of adoption both state that this action is not expected to require an increased appropriation. Therefore, a fiscal note under AS 44.62.060 is not required.

We have made some technical corrections to conform the regulations in accordance with AS 44.62.060. The corrections are incorporated into the attached copy of the regulations.

To: Hon. Nancy Dahlstrom, Lieutenant Governor
Our file: 2025200392; 3 AAC 50.950 - .999

March 20, 2026
Page 2 of 2

Sincerely,

STEPHEN J. COX
ATTORNEY GENERAL

By: **Rebecca C. Polizzotto**
Rebecca C. Polizzotto
Chief Assistant Attorney General
Legislation, Regulations, and
Legislative Research Section

Digitally signed by
Rebecca C. Polizzotto
Date: 2026.03.20
15:02:59 -08'00'

PWP/pwp/tmg

CC w/enclosure: Hon. Julie Sande, Commissioner
Department of Commerce, Community and Economic Development

Laura Barson, Administrative Law Judge
Regulatory Commission of Alaska

Erin Egan, Assistant Attorney General
Department of Law

Parker W. Patterson, Senior Assistant Attorney General
Department of Law

Appendix J: Certification Order

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

The attached regulations, dealing with community energy facilities and implementing legislation from the 33rd Legislature (SLA 2024, ch. 29; SB 152; Saving Alaskans Money with Voluntary Community Energy Act), are certified to be a correct copy of the regulation changes that the Regulatory Commission of Alaska adopted at its November 5, 2025, special public 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: 02/05/26

Signed by:
John M. Espindola
B1F1A1D7CF2845F

John M. Espindola, Chair

April Simpson for

FILING CERTIFICATION

I, Nancy Dahlstrom, Lieutenant Governor for the State of Alaska, certify that on March 23, 2026 at 1:25 p.m., I filed the attached regulations according to the provisions of AS 44.62.040 - 44.62.120.

for *Nancy Dahlstrom*

Nancy Dahlstrom, Lieutenant Governor

Lieutenant Governor

Effective: April 22, 2026

Register: 258, July 2026.

FOR DELEGATION OF THE LIEUTENANT GOVERNOR'S AUTHORITY

I, NANCY DAHLSTROM, LIEUTENANT GOVERNOR OF THE STATE OF ALASKA, designate the following state employees to perform the Administrative Procedures Act filing functions of the Office of the Lieutenant Governor:

April Simpson, Regulations and Initiatives Specialist

IN TESTIMONY WHEREOF, I have signed and affixed the Seal of the State of Alaska, in Juneau, on May 15th, 2023.



A handwritten signature in blue ink, reading "Nancy Dahlstrom", is written over a horizontal dotted line.

**NANCY DAHLSTROM
LIEUTENANT GOVERNOR**

Chapter 50. Energy Conservation.

3 AAC 50 is amended by adding new sections to read:

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)
- 4. Community Energy Program (3 AAC 50.950 – 3 AAC 50.999)**

Article 4.

Community Energy Program

Section

- 950. Waiver
- 955. Community energy program
- 960. Community energy facilities
- 970. Community energy tariff
- 980. Charges and credits for community energy program
- 990. Filing and reporting requirements
- 999. Definitions

3 AAC 50.950. Waiver. On application in writing by a subscriber, subscriber organization, or electric utility, or on its own motion, the commission may grant by order a modification or waiver of a requirement

Register 258, July 2026 COMMERCE, COMMUNITY, AND EC. DEV.

(1) in AS 42.05.725 - AS 42.05.735 or 3 AAC 50.950 - 3 AAC 50.999, based on a finding by the commission that no legitimate public interest will be served by enforcing the requirement, unless the requirement is otherwise required by another provision of AS 42.05; or

(2) of AS 42.05 not described in paragraph (1) of this section, based on a finding by the commission that the modification or waiver is in the public interest. (Eff.

4 / 22 / 2026, Register 258)

Authority:	AS 42.05.141	AS 42.05.691	AS 42.05.727
	AS 42.05.151	AS 42.05.711	AS 42.05.731
	AS 42.05.291	AS 42.05.725	

3 AAC 50.955. Community energy program. (a) An electric utility shall make a community energy program available to a subscriber in accordance with the utility's community energy tariff.

(b) An electric utility shall

(1) allow a community energy facility eligible under 3 AAC 50.960 to interconnect to the electric utility's facilities in accordance with interconnection standards set out in the electric utility's community energy tariff; and

(2) purchase the total electrical energy generated by a community energy facility.

(c) An electric utility shall notify the commission not later than 30 days after the electric utility issues a refusal to interconnect with a community energy facility. (Eff.

4 / 22 / 2026, Register 258)

Authority:	AS 42.05.141	AS 42.05.691	AS 42.05.727
	AS 42.05.151	AS 42.05.711	AS 42.05.729

AS 42.05.291

AS 42.05.725

3 AAC 50.960. Community energy facilities. (a) To be eligible for interconnection under a community energy program, a community energy facility must

(1) be owned by

(A) a subscriber organization; or

(B) an electric utility;

(2) be located within an electric utility's certificated service area where a subscriber takes service;

(3) be managed and monitored by

(A) a subscriber organization; a subscriber organization may contract with a third party to perform management and monitoring functions, but is ultimately responsible for the management and monitoring of the program; or

(B) an electric utility, if owned by the electric utility;

(4) generate electric energy from a source eligible for interconnection under 3 AAC 50.920(1);

(5) have been constructed by contractors and subcontractors whose employees received the current prevailing rate of wages specified in the applicable determination of prevailing rate of wages for public construction projects issued by the Department of Labor and Workforce Development under AS 36.05.010;

(6) include a device, equipment, and required system upgrades to connect the community energy facility to the electric utility's distribution system; and

(7) meet the applicable safety and performance standards established by the National Electrical Code, the Institute of Electrical and Electronic Engineers, and Underwriters Laboratories, or other similar national standards.

(b) A subscriber organization shall interconnect the organization's community energy facilities to an electric utility in accordance with the interconnection standards set out in the electric utility's tariff. The community energy facility must provide a meter base for the electric utility to supply and read a utility-owned meter.

(c) The owner of a community energy facility is responsible for reasonable costs associated with the installation, administration, operation, and maintenance of the community energy facility.

(d) The annual energy production capacity of a community energy facility may not exceed 110 percent of the total modeled annual production output of the fully subscribed capacity of the facility. The electric utility does not owe an obligation to measure, allocate, or credit production to a community energy facility, subscriber organization, or a subscriber for production that exceeds 110 percent.

(e) An electric utility's community energy program must require the owner and operator of a community energy facility to report a list of subscribers as a condition for interconnection, including the share of energy that is attributable to each subscriber in the facility each month.

(f) An electric utility's community energy program must require the subscriber organization to provide information regarding the organization's community energy facility on the organization's Internet website as a condition for interconnection, including procedures, terms and conditions, calculation of credits, contact information, and subscription fees.

(g) The electric utility shall provide information for the utility's community energy program on the utility's Internet website, including the community energy facilities available in the utility's service area. (Eff. 4 / 22 / 2026, Register 258)

Authority: AS 42.05.141 AS 42.05.691 AS 42.05.727
AS 42.05.151 AS 42.05.711 AS 42.05.731
AS 42.05.291 AS 42.05.725

3 AAC 50.970. Community energy tariff. (a) Not later than May 31, 2026, each electric utility required to provide a community energy program under 3 AAC 50.950 shall submit a community energy tariff under the procedures set out in 3 AAC 48.220 and 3 AAC 48.270 that includes

(1) interconnection rules, including criteria and requirements for interconnection, processes, and fees to facilitate cost-effective and nondiscriminatory interconnection of community energy facilities; interconnection rules may not place a greater burden on an interconnecting community energy facility than the utility's existing interconnection tariff placed on other nonutility generators of similar capacity and configuration;

(2) requirements for liability insurance coverage;

(3) requirements for the installation of an external disconnect switch, unless the utility determines additional disconnection capability is not necessary, and 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 community energy facility and the community energy facility's load from the utility electric system when

disconnection is necessary under circumstances described in the utility's community energy tariff;

(4) rules for disconnection of service;

(5) the maximum aggregate nameplate capacity for all eligible community energy facilities; if the maximum nameplate capacity for all eligible community energy facilities identified in a utility's tariff is less than 5 MW, in addition to the information required by AS 42.05.727(a)(2), the utility shall provide:

(A) an explanation of how the requested maximum was derived;

(B) an objective measure of the impact on rates if the maximum is breached;

(C) an objective measure of the impact on reliability if the maximum is breached; and

(D) an explanation of why the impacts described in (B) and (C) would result in rates or service quality that are not just and reasonable;

(6) requirements for inverters, converters, controllers, and interconnection system equipment, and required system upgrades for use by non-utility generation; in developing those requirements, the utility may use *Underwriters' Laboratories standard 1741, Standard for Inverters, Converters, Controllers and Interconnection System Equipment for Use With Distributed Energy Resources*, as applicable and as supplemented or other similar national standards;

(7) information a subscriber organization must provide to the electric utility that is necessary to timely calculate the charges and credits established in 3 AAC 50.980;

(8) procedures for the subscriber organization to timely report planned and unplanned facility outages and unavailability;

(9) a procedure for consumers to enroll in the community energy program owned by an electric utility; and

(10) terms, conditions, fees and credits for subscription to the community energy program owned by an electric utility.

(b) An electric utility may impose reasonable interconnection charges as approved by the commission, including connection costs, switching, metering, transmission, distribution, safety provisions, administration, and other costs directly incurred as a result of the interconnection, but only to the extent that such costs are in excess of the corresponding costs which the utility would have incurred if the utility had not engaged in the interconnection.

(c) An electric utility may recover the utility's reasonable costs associated with administering a community energy program if the additional costs are in excess of the costs which the utility would have incurred if the utility had not engaged in the interconnection.

(d) An electric utility may provide a separate rate approved by commission for capacity provided by a community energy facility through energy storage.

(e) If approved by the commission, an electric utility may charge a subscriber organization that owns a community energy facility reasonable fees to cover the incremental costs of integrating the energy from the facility into the electric utility's operations. The utility must demonstrate that such costs only arise if the community energy facility interconnects with electric utility system. There is a rebuttable presumption that a community energy facility with a nameplate capacity of less 100 kW does not generate material incremental integration costs.

(Eff. 4 / 22 / 2026, Register 258)

Authority: AS 42.05.141 AS 42.05.691 AS 42.05.727
AS 42.05.151 AS 42.05.711 AS 42.05.729
AS 42.05.291 AS 42.05.725

3 AAC 50.980. Charges and credits for community energy program. (a) An electric utility shall require a subscriber organization to measure the electric energy produced by the organization's community energy facility and report the production and share of energy attributed to each subscriber in the community energy facility during each billing period to the electric utility. The electric utility shall bill each subscriber of the subscriber organization in accordance with (b) of this section.

(b) On receipt of a report under (a) of this section an electric utility shall

(1) if the electric utility supplied more electric energy to a subscriber than the energy attributed to the subscriber from the community energy facility during the monthly billing period, bill the subscriber for the remaining electric energy the electric utility supplied to the subscriber at the applicable rates set out in the electric utility's currently effective tariff; or

(2) if the electric energy attributed to a subscriber was greater than the electric energy supplied by the electric utility to the subscriber during the monthly billing period, credit the subscriber's account with the amount of the subscriber's proportional share for the excess electric energy supplied to the electric utility by the community energy facility multiplied by the avoided energy rate set out in the electric utility's currently effective tariff, unless a different avoided energy rate has been established in a commission-approved contract.

(c) A dollar amount credited to the account of a subscriber for furnishing electric energy to an electric utility under (b)(2) of this section

(1) shall be used to reduce the dollar amount owed by the subscriber in a subsequent monthly billing period; and

(2) does not expire or otherwise revert to the electric utility.

(d) Except as otherwise provided in (b) and (c) of this section regarding per-kilowatt hour charges, the electric utility may bill a subscriber for applicable charges authorized by the electric utility's approved tariff.

(e) An electric utility may not charge a subscriber that participates in a community energy program an additional fee for standby, capacity, interconnection, or other expenses unless approved by the commission. An electric utility must assess reasonable costs associated with the community energy program to the subscribers of the community energy program. Reasonable costs include administrative, interconnection, regulation, regulatory cost charges, and the determination and application of bill credit rates for the program, subscribers, and subscriber organizations. To ensure that a community energy program does not have an adverse effect on retail rates, the electric utility may not recover costs under this subsection from a nonsubscriber.

(f) 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 subscribers, if the utility can demonstrate an adverse material rate impact on electric utility consumers that do not participate in the community energy program.

(g) An electric utility shall use unsubscribed energy generated by a community energy facility for the utility's retail energy supply. The electric utility shall compensate the subscriber organization for the unsubscribed energy at the utility's avoided energy rate set out in the electric utility's currently effective tariff. (Eff. 4 / 22 / 2026 , Register 258)

Authority: AS 42.05.141 AS 42.05.691 AS 42.05.727

AS 42.05.151 AS 42.05.711 AS 42.05.729
AS 42.05.291 AS 42.05.725

3 AAC 50.990. Filing and reporting requirements. (a) On or before March 1 of each year, an electric utility shall file a tariff advice letter with accompanying tariff sheet that includes the

- (1) total number of interconnected community energy facilities;
- (2) total nameplate capacity per type of renewable generation within the electric utility's service area;
- (3) total energy fed into the grid per type of renewable generation;
- (4) total number of customers per type of renewable generation; and
- (5) retail bill impact of subscription with the community energy program.

(b) Beginning March 1, 2027, an electric utility shall report the updated nameplate capacity for community energy facilities to the commission in accordance with AS 42.05.727(a)(2). The electric utility shall update the report to the commission every two years.

(Eff. 4 / 22 / 2026, Register 258)

Authority: AS 42.05.141 AS 42.05.691 AS 42.05.727
AS 42.05.151 AS 42.05.711 AS 42.05.729
AS 42.05.291 AS 42.05.725

3 AAC 50.999. Definitions. In 3 AAC 50.950 - 3 AAC 50.990, unless the context requires otherwise,

- (1) "avoided energy rate" has the same meaning given in 3 AAC 50.949(20);
- (2) "biomass energy" has the meaning given in 3 AAC 50.949(2);

(3) "community energy facility" has the meaning given in AS 42.05.735(1);

(4) "community energy program" is a program that

(A) allows a community energy facility to

(i) primarily generate electricity to offset the electric energy requirements of a facility's subscriber; and

(ii) supply generated electric energy to an electric utility; and

(B) provides credit to a subscriber under 3 AAC 50.980 for the subscriber's portion of the electric energy generated by a community energy facility during a monthly billing period.

(5) "consumer" has the meaning given in AS 42.05.735(2);

(6) "electric system" has the meaning given in AS 42.05.735(3);

(7) "external disconnect switch" has the meaning given in 3 AAC 50.949(26).

(8) "excess electric energy" means the energy attributed to a subscriber's subscription in a community energy facility that exceeds the subscriber's electric energy requirements in a single billing period.

(9) "geothermal energy" has the meaning given in 3 AAC 50.949(11);

(10) "hydroelectric energy" has the meaning given in 3 AAC 50.949(12);

(10) "hydrokinetic energy" has the meaning given in 3 AAC 50.949(13);

(11) "inverter" has the meaning given in 3 AAC 50.949(15);

(12) "nameplate capacity" has the meaning given in AS 42.05.735(4);

(13) "ocean thermal energy" has the meaning given in 3 AAC 50.949(21);

(14) "solar photovoltaic energy" has the meaning given in 3 AAC 50.949(23);

(15) "solar thermal energy" has the meaning given in 3 AAC 50.949(24);

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(16) "subscriber" has the meaning given in AS 42.05.735;

(17) "subscriber organization" has the meaning given in AS 42.05.735;

(18) "unsubscribed energy" means the proportion of electric energy generated by a community energy facility that is not allocated to subscribers. (Eff. 4 / 22 / 2020,

Register 258)

Authority:	AS 42.05.141	AS 42.05.691	AS 42.05.727
	AS 42.05.151	AS 42.05.711	AS 42.05.729
	AS 42.05.291	AS 42.05.725	AS 42.05.735