

CS FOR SENATE BILL NO. 57(NRG)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-NINTH LEGISLATURE - FIRST SESSION

BY THE SENATE SPECIAL COMMITTEE ON ENERGY

Offered: 3/18/15

Referred: Resources, Finance

Sponsor(s): SENATOR GIESSEL

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the development of state emission standards in accordance with the**
2 **federal Clean Air Act; and providing for an effective date."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 *** Section 1.** AS 46.14 is amended by adding a new section to article 5 to read:

5 **Sec. 46.14.570. Emission standards to comply with federal law.** (a) Before
6 beginning to develop a state plan in accordance with 42 U.S.C. 7411(d) (sec. 111(d),
7 Clean Air Act), the department shall, by any appropriate means, seek from the United
8 States Environmental Protection Agency a waiver or similar exemption from the
9 requirements of 42 U.S.C. 7411(d) (sec. 111(d), Clean Air Act). If the department
10 develops the state plan, the plan may not be submitted to the United States
11 Environmental Protection Agency until the department determines that the plan will
12 not result in

13 (1) increased retail electric service rates in a way that would have a
14 disproportionate effect on households of low or moderate income;

1 (2) less reliable electric service, resource inadequacy, or transmission
2 constraints;

3 (3) impairment of investments in existing electricity generating
4 capacity;

5 (4) impairment of the competitive position of manufacturers or other
6 public or private sectors of the state economy;

7 (5) a decrease in employment in the state; or

8 (6) a decrease in state or local revenue.

9 (b) If the department develops a plan under (a) of this section, the department
10 shall prepare a report, subject to notice and comment, that assesses the effects of the
11 plan on

12 (1) the electric power sector, including

13 (A) the availability of affordable electricity from diversified
14 sources of electric generation;

15 (B) the type and amount of electricity generating capacity in
16 the state that is likely to be eliminated or switched to another fuel;

17 (C) investment in electricity generating capacity and other
18 infrastructure;

19 (D) the amount of investment necessary to offset retirements of
20 electricity generating capacity and maintain generation reserve margins;

21 (E) potential risks to electric reliability, such as resource
22 adequacy risks and transmission constraints;

23 (F) the amount by which retail electricity prices in the state are
24 forecasted to increase as a result of the plan;

25 (2) electricity consumers in the state, including any disproportionate
26 effects of electricity and other energy price increases on households of low or
27 moderate income;

28 (3) employment in the state, including direct and indirect employment
29 effects and jobs lost within affected public and private sectors of the state's economy;

30 (4) economic development in the state, including effects on
31 manufacturing, commercial, and other sectors of the economy of the state;

- 1 (5) the competitive position of the state;
2 (6) the state government and local governments, including the effects
3 of potential changes in tax revenue;
4 (7) state law, including any new laws necessary to implement the state
5 plan.

6 (c) Not later than 15 days before the submission of a state plan to the United
7 States Environmental Protection Agency, the department shall deliver a copy of the
8 state plan and the report required under (b) of this section to the senate secretary and
9 the chief clerk of the house of representatives and notify the legislature that the report
10 is available.

11 * **Sec. 2.** This Act takes effect May 15, 2015.