

Statutes Governing Utilities Charges:

State statutes:

AS 42.05.381. Rates to Be Just and Reasonable.

- (a) All rates demanded or received by a public utility, or by any two or more public utilities jointly, for a service furnished or to be furnished shall be just and reasonable; however, a rate may not include an allowance for costs of political contributions, or public relations except for reasonable amounts spent for
- (1) energy conservation efforts;
 - (2) public information designed to promote more efficient use of the utility's facilities or services or to protect the physical plant of the utility;
 - (3) informing shareholders and members of a cooperative of meetings of the utility and encouraging attendance; or
 - (4) emergency situations to the extent and under the circumstances authorized by the commission for good cause shown.
- (b) In establishing the revenue requirements of a municipally owned and operated utility the municipality is entitled to include a reasonable rate of return.

AS 42.05.391. Discrimination in Rates.

- (a) Except as provided in AS 42.05.306 (discounted service) , a public utility may not, as to rates, grant an unreasonable preference or advantage to any of its customers or subject a customer to an unreasonable prejudice or disadvantage. A public utility may not establish or maintain an unreasonable difference as to rates, either as between localities or between classes of service. A municipally owned utility may offer uniform or identical rates for a public utility service to customers located in different areas within its certificated service area who receive the same class of service. Any uniform or identical rate shall, upon complaint, be subject to review by the commission and may be set aside if shown to be unreasonable.

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