

**A M E N D M E N T**

OFFERED IN THE HOUSE

TO: CSHB 9( ), Draft Version "U"

1 Page 16, line 28, through page 18, line 19:

2 Delete all material and insert:

3 **\*\* Sec. 25.** AS 42.05 is amended by adding a new section to read:

4                   **Sec. 42.05.433. Review of certain contracts by the commission.** (a) A public

5 utility negotiating a contract with the Alaska Gasline Development Corporation  
6 created under AS 18.56.086, or with any entity controlled by the Alaska Gasline  
7 Development Corporation, may submit the contract to the commission before the  
8 contract takes effect.

9                   (b) A public utility negotiating to purchase natural gas to be shipped on any  
10 pipeline owned by either the Alaska Gasline Development Corporation or an entity  
11 controlled by the Alaska Gasline Development Corporation may submit the contract to  
12 the commission before the contract takes effect.

13                   (c) A public utility negotiating a natural gas storage contract related to (a) or  
14 (b) of this section may submit the contract to the commission before the contract takes  
15 effect.

16                   (d) The commission may conduct an investigation and hearing to determine  
17 whether a contract submitted under (a), (b), or (c) of this section is just and reasonable.  
18 The commission shall either approve the contract as presented, or, if the commission  
19 finds that the contract is unjust, unreasonable, or unduly discriminatory or preferential,  
20 the commission shall disapprove the contract. If the commission does not act within  
21 180 days after the submission of the contract, the contract shall be considered  
22 approved and shall be implemented. A contract that is approved or considered  
23 approved under this subsection is not subject to further review by the commission.

1       \* **Sec. 26.** AS 42.05.711 is amended by adding a new subsection to read:

2               (s)    The Alaska Gasline Development Corporation created under  
3               AS 18.56.086, a joint venture, partnership, or other entity controlled by the Alaska  
4               Gasline Development Corporation, or a natural gas pipeline owned or financed by the  
5               Alaska Gasline Development Corporation is exempt from this chapter until all debt  
6               incurred to finance or refinance the cost of developing and constructing the natural gas  
7               pipeline is paid in full. However, the Alaska Gasline Development Corporation or a  
8               joint venture, partnership, or other entity that includes the Alaska Gasline  
9               Development Corporation may elect to be subject to regulation under this chapter to  
10               the extent and in the manner the Alaska Gasline Development Corporation elects and  
11               determines is appropriate.

12       \* **Sec. 27.** AS 42.06 is amended by adding a new section to article 7 to read:

13               **Sec. 42.06.601. Exemption.** The Alaska Gasline Development Corporation  
14               created under AS 18.56.086, an entity controlled by the Alaska Gasline Development  
15               Corporation, or a natural gas pipeline owned, operated, financed, or controlled, in  
16               whole or in part, by the Alaska Gasline Development Corporation is not subject to this  
17               chapter except to the extent and in the manner the Alaska Gasline Development  
18               Corporation elects and determines is appropriate."

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20       Renumber the following bill sections accordingly.