

Sec. 38.34.040. Duties of the development team.

(a) The Joint In-State Gasline Development Team shall produce a project plan for the development of an in-state natural gas pipeline. The development team shall ensure that the project plan is completed and delivered to the legislature by July 1, 2011. The project plan must specify and document how an in-state natural gas pipeline can be designed, financed, constructed, and made operational by December 31, 2015.

(b) The Joint In-State Gasline Development Team shall assume executive authority over and managerial responsibility for all activities enumerated under sec. 19, ch. 14, SLA 2009, including work previously completed, work in process, and work for which money has been encumbered but that is not completed on April 27, 2010.

(c) The project plan must include specific plans to coordinate and facilitate construction, ownership, operation, and management of a natural gas pipeline serving Fairbanks, the Southcentral region of the state, and other communities whenever practicable, connecting with or enhancing the existing gas pipeline system, and reaching to tidewater in the Southcentral region of the state.

(d) The development team's work product must include an analysis of alternative possible routes and the selection of a route that, consistent with the other requirements of this section,

(1) is economically feasible;

(2) makes natural gas available to residents at the lowest possible cost;

(3) allows for connecting lines to serve industrial, residential, and utility customers along the entire route, and in other regions of the state that can be served at commercially feasible rates;

(4) uses state land and existing state highway and railroad rights-of-way to the maximum extent feasible;

(5) uses existing highway and railroad bridges, gravel sources, equipment yards, maintenance facilities, and other existing facilities and resources to the maximum extent feasible.

(e) With the intent that any project-related assets acquired or developed be available for transfer or sale to the entity best able to complete the project, the development team shall

(1) prepare plans and designs necessary for construction of the in-state natural gas pipeline project;

- (2) coordinate with entities qualified to build, own, and operate the natural gas pipeline;
 - (3) identify, apply for, and obtain rights-of-way and other permits for the project route;
 - (4) work with other entities to promote gas supply and purchase contracts required for the project to be commercially viable;
 - (5) prepare cost estimates for the project design, construction, and operation to determine the project's economic feasibility and the projected cost of natural gas to consumers;
 - (6) coordinate with and, to the fullest extent possible, use existing work by other state agencies and entities before contracting for new reports and research and analysis;
 - (7) determine regulatory authority over the pipeline project and perform any necessary compliance requirements;
 - (8) identify and apply for, or support extension of, existing permits for export of Alaska natural gas if that export improves project economics and will reduce the price of natural gas to in-state consumers.
- (f) Notwithstanding any other provision of law, any rights to a natural gas pipeline corridor obtained by a state agency under eminent domain may be transferred to a private entity.
- (g) Notwithstanding any other provision of law, a state agency acquiring an interest in land by eminent domain may grant a permit authorizing a private person to construct, manage, and operate a gas pipeline over, under, along, across, or upon the land.
- (h) In preparing the project plan required in this section, the development team may consider all aspects of the in-state natural gas pipeline project, including public, private, or joint construction alternatives, marketing of natural gas, financing alternatives for pipeline construction, procurement of natural gas from producers, maximization of local hire, opportunities for promoting value-added industries, gas-to-liquids manufacturing opportunities, production and delivery of liquefied natural gas or propane to Yukon River, Interior, and coastal communities, alternatives for transporting natural gas to other locations in the state, the acquisition of natural gas commitments sufficient to ensure the long-term feasibility of the in-state natural gas pipeline project, the development of a global natural gas trading hub in the state, and facilitating the project developer's commitment, to the maximum extent permitted by law, to

(1) hire qualified residents from throughout the state for management, engineering, construction, operations, maintenance, and other positions on the proposed project;

(2) contract with businesses located in the state;

(3) establish hiring facilities or use existing hiring facilities in the state; and

(4) use, as far as is practicable, the job centers and associated services operated by the Department of Labor and Workforce Development and an Internet-based labor exchange system operated by the state.

(i) The Joint In-State Gasline Development Team shall take all action necessary to complete its responsibilities under this section.

History -

(Sec. 4 ch 7 SLA 2010)

Cross References -

For transitional provisions applicable to the obligations of the Joint In-State Gasline Development Team that are prescribed in this section, see Sec. 11(a), ch. 7, SLA 2010, in the 2010 Temporary and Special Acts.