

ALASKA STATE HOUSE OF REPRESENTATIVES



State Capitol
Juneau, Alaska 99801-1182

Sectional Analysis for CS HB 132 (L&C) Version G

- Short Title: AGDC support of natural gas projects
- Section 1 Amends AS 31.25.005, AGDC's purpose, to accommodate changes made by section two.
- Section 2 Adds a new subsection to AS 31.25.005, AGDC's purpose, to place temporary restrictions on AGDC's abilities. Prohibits AGDC from developing a natural gas pipeline project in which more than half the gas transported is intended for export as liquefied natural gas, and prohibits AGDC's involvement in a liquefied natural gas project that competes with the Alaska LNG Project in which AGDC is already contractually involved. These prohibitions terminate at the earliest of three dates: July 1, 2017; the time at which the state and other Alaska LNG Project parties enter the next development stage, Front End Engineering and Design (FEED); or the time at which the state or another party that holds natural gas leases withdraws from the Alaska LNG Project.
- Section 3 Adds a new subsection to AS 31.25.080, AGDC's powers and duties, to require AGDC to obtain written consent from an entity controlling or owning gas, before AGDC is able to market that gas.
- Section 4 Amends AS 31.25.100, In-state natural gas pipeline fund, to restrict AGDC from using the monies for a project that competes with the Alaska LNG Project, or for a natural gas pipeline project through which a majority of gas is intended for export. These restrictions expire at the earliest of three dates: July 1, 2017; the time at which the state and other Alaska LNG Project parties enter the next development stage, Front End Engineering and Design (FEED); or the time at which the state or another party withdraws from the Alaska LNG Project (consistent with section two dates).
- Section 5 Amends AS 31.25.390, AGDC definitions, to conform the statutory reference in the definition of 'Alaska liquefied natural gas project' to reflect the addition of a new subsection in AS 31.25.005.
- Section 6 Adds a new term, 'front-end engineering and design', to AS 31.25.390, AGDC definitions. The definition replicates the language in the Heads of Agreement document for the Alaska LNG Project, dated Jan. 14, 2014, between AGDC, the State of Alaska, BP, Conoco, TransCanada, and Exxon Mobil.
- Section 7 Sets an immediate effective date.