

Memorandum

To: Senator Cathy Giessel
Chairman, Senate Resources Committee

From: Gene Therriault
Alaska Energy Authority

Re: Summary of changes SB 50 to CS SB 50(NRG) ver W

Date: March 27, 2015

On March 26, 2015, the Senate Special Committee on Energy reported out a committee substitute for SB 50 that encompasses the following substantive changes:

- New section 4 – This new language modifies the definition of a “qualified energy development” for the Sustainable Energy Transmission and Supply (SETS) fund. Under the modified language, the Alaska Industrial Development and Export Authority (AIDEA) would be allowed to consider the use of SETS funds for a small diameter pipeline (12 inches or less) for the delivery of natural gas to Interior Alaska.
- Modified section 5 – This section appeared as Sec. 4 in the original version of SB 50. The language has been modified to clarify that as AIDEA considers a source of natural gas other than the North Slope for the Interior Energy Project, the primary target market for this resource remains the space heat and electric generation needs of Interior Alaska. The phrase “distribution system” was also changed to “distribution systems” to acknowledge that action of the Regulatory Commission of Alaska has created two separate natural gas distribution entities to serve the greater Fairbanks/North Pole area of the Fairbanks North Star Borough.