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REPRESENTATIVE MIKE CHENAULT SPEAKER OF THE ALASKA STATE HOUSE

Summary of Changes

From CS for House Bill 9 (RES) to CS for House Bill 9 (FIN) \ K

Changes to CS for HB 9 (RES)\L and reflected in the CS for House Bill 9 (FIN)\K are:

TITLE

Page 1, line 6, after "lease or", adds "an action or decision related to"

Page 1, line 8, after "Corporation", adds "or a successor in interest"

SECTION 1:

Page 2, line 8, through Page 3, line 5: Adds a new section of Legislative Findings and Intent.

Page 2, lines 11-15: Incorporates a Letter of Intent related to disclosure of operating agreements into the body of HB 9. Clarifies intent language so that executed operating agreements will be disclosed publically to the extent the disclosure will not divulge trade secrets or other proprietary business information.

Page 2, line 16, through Page 3, line 5: Adds findings and intent related to AGDC's mission; direction to provide gas and to ship gas at commercially reasonable rates; makes a determination of an AGDC project as being within the public convenience and necessity; declares development of an instate gas pipeline as in the best interests of the state; and finds that the state shall have a policy of making state royalty gas available for shipment in an AGDC pipeline.

SECTION 2: Renumbered from Section 1; no other changes.

SECTION 3: Renumbered from Section 2; no other changes.

SECTION 4: Renumbered from Section 3.

Page 6, lines 20-28: Sets parameters on the direction for state agencies to give AGDC access to information directly related to an instate natural gas pipeline. If an agency finds that information to be transferred to AGDC is confidential, the agency may require a confidentiality agreement and, if a third party's rights are affected, AGDC may have to secure the third party's consent.

This change is recommended by the Department of Law and is intended to set parameters around the information that is to be shared between state agencies and AGDC. Some information held by state agencies is confidential, and cannot be automatically shared with AGDC.

SECTION 5: Renumbered from Section 4; no other changes.

SECTION 6: Renumbered from Section 5.

Page 7, Line 10: Changes "at no cost or rental fee" to "at no appraisal or rental cost."

This change was recommended by the State Pipeline Coordinator's Office/Department of Natural Resources and better reflects existing terminology.

SECTION 7: Renumbered from Section 6.

Page 8, lines 15-16: adds after "rates," "except as provided in (c) of this section".

Conforms to the change in Section 6, clarifying that while nonhydrocarbon natural resources of the state are to be made available to AGDC at usual and customary rates, a state right-of-way lease will be granted at no appraisal or rental cost.

Page 8, lines 25-28: Adds new subsection (i).

Clarifies that a state Right-of-Way lease entered into by AGDC may be transferred to a successor under the same terms the lease is granted to AGDC.

SECTION 8: Renumbered from Section 7; no other changes.

SECTION 9: Renumbered from Section 8; no other changes.

SECTION 10: Renumbered from Section 9; no other changes.

SECTION 11: Renumbered from Section 10; no other changes.

SECTION 12: Renumbered from Section 11.

Page 13, line 18, after “notwithstanding (a),”: removed “and (b).”

Page 13, line 19: Replaced “cost to or reimbursement by” with “appraisal or rental costs to”.

Both changes were recommended by the State Pipeline Coordinator’s Office/Department of Natural Resources. SPCO operates on receipt authority, and AGDC will need to pay for services. The term “appraisal or rental costs” conforms to existing SPCO/DNR terminology.

SECTION 13: Renumbered from Section 12.

Page 14, line 13: Added “or authorization” after “decision.”

Page 14, line 14-15, after “under”: Replaced “authority delegated to” with “a program approved or delegated by.”

Both changes address technical concerns by Department of Environmental Conservation.

SECTION 14: Renumbered from Section 13; no other changes.

SECTION 15: Renumbered from Section 14, no other changes.

SECTION 16: Renumbered from Section 15; no other changes.

SECTION 17: Renumbered from Section 16

Page 17, lines 16-18: Inserted “A pledge made under this subsection shall be treated as a disposal of gas other than by sale or exchange for purposes of AS 38.05.183.”

Department of Natural Resources recommended this change to accommodate existing statutes related to royalty gas.

SECTION 18: Renumbered from Section 17; no other changes.

SECTION 19: Renumbered from Section 18; no other changes.

SECTION 20: Renumbered from Section 19; no other changes.

SECTION 21: Renumbered from Section 20; no other changes.

SECTION 22: Renumbered from Section 21; no other changes.

SECTION 23: Renumbered from Section 22; no other changes.

SECTION 24: Renumbered from Section 23; no other changes.

SECTION 25: Renumbered from Section 24; no other changes.

SECTION 26: Renumbered from Section 25; no other changes.

SECTION 27: Renumbered from Section 26; no other changes.

SECTION 28: Renumbered from Section 27; no other changes.

SECTION 29: Renumbered from Section 28; no other changes.

SECTION 30: Renumbered from Section 29; no other changes.

SECTION 31: Renumbered from Section 30; conforming changes for references to renumbered sections.

SECTION 32: Renumbered from Section 31; no other changes.

SECTION 33: Renumbered from Section 32; no other changes.