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REPRESENTATIVE MIKE CHENAULT SPEAKER OF THE HOUSE SECTIONAL ANALYSIS

COMMITTEE SUBSTITUTE FOR HOUSE BILL 369 (RES)

"An Act relating to an in-state natural gas pipeline, the office of in-state gasoline project manager, the Joint In-State Gasline Development Team; and providing for an effective date."

Section 1: Adds a new chapter, Chapter 34: In-State natural Gas Pipeline, to AS 38, Public Land.

Sec. 38.34.010. In-state gasoline project manager. (a) Creates the position of in-state gasoline project manager within the governor's Office. This position will continue until one year after commercial operation of the in-state natural gas pipeline begins. (b) The Governor appoints an individual to the position of an in-state gasoline manager and may be removed at the Governor's discretion. (c) Describes the duties of the in-state gasoline project manager.

Sec. 38.34.020. Expedited review and action by state agencies. (a) States that any state agency conducting and taking action relating to the in-state gasoline shall be expedited. (b) A state agency may not include in any project certificate, right of way, permit or other authorization issued to a licensee a term or condition that is not required by law if the in-state project manager determines the term or condition would prevent or impair the expeditious construction and operation or expansion of the in-state gasoline. (c) A state agency may not, unless required by law, amend or abrogate any certificate, right of way, permit or other authorization issued to a licensee if the project manager determines the action would prevent or impair the expeditious construction and operation or expansion of the in-state gasoline.

Sec. 38.34.030. Joint In-state Gasline Development Team. (a) Establishes the Joint In-state Gasline Development Team in the Governor's Office. The team consists of the commissioner of the Department of Transportation and Public Facilities or designee, the chief executive officer of the Alaska Railroad Corporation, the chief executive officer of the Alaska Natural Gas Development Authority and the in-state gasoline project manager. (b) Names the Alaska Railroad's chief executive officer as chair. (c) Allows the Development Team to hire staff, enter into contracts and exercise other powers to carry out its functions.

Sec. 38.34.040. Duties of the Development Team. (a) Describes the various aspects of the in-state gasoline project the Development Team will consider. (b) Ensure construction for an in-state gasoline is ready to commence by July 1, 2011 and to take any necessary actions to enable the flow of natural gas down the gasoline by 2015. (c) (1) Shall select a route that runs from the

North Slope to tidewater that is the most economical, will provide gas to the greatest number of residents at a reasonable cost, uses state land and existing state highway and railroad rights of way to the maximum extent, use existing highway and railroad bridges, gravel pits equipment yards and maintenance facilities and other existing facilities and resources to the maximum extent possible; (2) identify land or rights of way that must be obtained for construction and operation of the in-state gasline and take necessary action to enable DOT/PF to acquire those interests; (3) prepare plans and designs necessary for the construction of the in-state gasline; (4) identify all permits and applications needed to construct the in-state gasline and proceed with applications for those permits and licenses; (5) prepare and update estimates of construction and other costs of construction; and (6) take any necessary action so that construction of the in-state gasline may begin by July 1, 2011, and report to the legislature by that date.

Sec. 38.34.050. Cooperation and access to information. (a) States the Development Team may have access to a state entity's information to include confidential information that may relate to the in-state gasline or prove useful in planning, design, construction or operation of the gasline. Confidential information received by the Development Team shall be kept confidential. (b) All state agencies are to cooperate and give priority to requests for information from the Development Team. The Development Team is to avoid duplicating studies, plans, and designs that have already been produced or otherwise obtained by state entities.

Sec. 38.34.060. Conflicts of interest. If a member of the Development Team acquires, owns or controls a direct or indirect interest in property, an organization or business that might be affected by the in-state gasline project or other matters under consideration by the Development Team shall immediately disclose the interest to the Development Team. This disclosure is part of the public record and shall be included in the minutes of the first meeting of the Development Team held after the disclosure.

Sec. 38.34.099. Definitions. Defines the in-state natural gas pipeline and the North Slope.

Section 2: Amends AS 39.25.110, Exempt service. Adds the in-state gasline project manager to the exempt service list.

Section 3: Immediate effective date.