



EXPLANATION OF CHANGES

House Bill 105

AIDEA Programs and Bonds Authorizations / LNG Financing *Version H to Version E*

- Sec 1: Inserts new Section 1 providing legislative intent language restricting AIDEA's use of the financing authorization in Section 9 for the Interior Energy Project.
- Sec 2: Inserts new Section 2 amending AS 42.05.771(b), regarding Regulatory Commission of Alaska rate regulation, that requires any natural gas distribution system in Interior Alaska that receives financing through AIDEA's sustainable energy transmission and supply development fund to be subject to rate regulation.
- Sec 3: Version H Section 1 renumbered as Section 3 in Version E.
- Sec 4: Version H Section 2 renumbered as Section 4 in Version E with language changing bond approval by "law" to "legislature" on page 3, line 14.
- Sec 5: Version H Section 3 renumbered as Section 5 in Version E.
- Sec 6: Inserts new Section 6, amending AS 44.88.170(a) creating a reference to a new Section 7.
- Sec 7: Inserts new Section 7, amending AS 44.88.170 by adding a new subsection (c). Subsection (c) requires AIDEA to obtain legislative approval before (1) purchasing gas reserves or a gas lease or becoming a working interest owner of a natural gas lease and (2) negotiating or entering into a gas supply contract for natural gas unless it is for a distribution utility owned by the authority.
- Sec 8: Inserts new Section 8 amending AS 44.88.900(16), regarding the AIDEA sustainable energy transmission and supply development fund, to broaden the definition of "qualified energy development" to propane, propane and air mixture, and a natural gas pipeline to Interior Alaska with a diameter of 12 inches or less.
- Sec 9: Version H Section 5 renumbered as Section 9 in Version E and inserts new language requiring AIDEA to obtain legislative approval of a project plan before using the financing tools contained in Section 9. The project plan is to (1) identify the source of the natural gas or propane, (2) include the estimated cost of the project, and (3) include the estimated price of natural gas under the project for natural gas utilities in Fairbanks before distribution to customers.
- Sec 10: Version H Section 6 renumbered as Section 10 in Version E.

- Sec 11: Version H Section 7 renumbered as Section 11 in Version E and the wording is renumbered to reflect changes in the new version. Repeal of “Section 2, ch 27, SLA 1993, as amended by sec. 19, ch. 111, SLA 1996” is removed.
- Sec 12: Inserts new Section 12 adding a new section to the uncodified law requiring AIDEA to provide quarterly written reports on the Interior Energy Project to the legislature. If requested, AIDEA shall provide a project briefing to the Legislative Budget and Audit Committee.
- Sec 13: Version H Section 7 renumbered as Section 13 in Version E.