

**HOUSE BILL NO. 204**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE CHENAULT

Introduced: 3/19/03

Referred: House Special Committee on Oil and Gas, Resources

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to the regulation of natural gas pipelines under the Pipeline Act."**

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 \* **Section 1.** AS 42.06.350(c) is amended to read:

4 (c) In its tariff filed with the commission under (a) of this section, a [NORTH  
5 SLOPE] natural gas pipeline carrier may charge separate rates for firm transportation  
6 service and for interruptible transportation service. A [NORTH SLOPE] natural gas  
7 pipeline carrier

8 (1) may, in addition, impose a reservation fee or similar charge for  
9 reservation of capacity in a [NORTH SLOPE] natural gas pipeline as a condition of  
10 providing firm transportation service; the reservation fee or charge imposed by the  
11 carrier may not include any variable costs or fixed costs that are not attributable to the  
12 provision of firm transportation service;

13 (2) may not impose a reservation fee or similar charge for reservation  
14 of capacity in a [NORTH SLOPE] natural gas pipeline for interruptible transportation  
15 service.

1 \* **Sec. 2.** AS 42.06.630(6) is amended to read:

2 (6) "firm transportation service" means service by a [NORTH SLOPE]  
3 natural gas pipeline carrier that is not subject to a prior claim by another shipper or  
4 another class of service; service constitutes "firm transportation service" if the service  
5 receives the same priority as any other class of firm transportation service;

6 \* **Sec. 3.** AS 42.06.630(8) is amended to read:

7 (8) "interruptible transportation service" means service by a [NORTH  
8 SLOPE] natural gas pipeline carrier in which the carrier's pipeline system capacity  
9 may be subject to a prior claim by another shipper or another class of service; a  
10 service constitutes "interruptible transportation service" if the service is given a lower  
11 priority than another class of service, resulting in noncontinuous service to a shipper  
12 of [NORTH SLOPE] natural gas;

13 \* **Sec. 4.** AS 42.06.630 is amended by adding new paragraphs to read:

14 (18) "natural gas pipeline" or "natural gas pipeline facility" means all  
15 the facilities of a total system of pipe, whether owned or operated by a natural gas  
16 pipeline carrier under a contract, agreement, or lease in this state used by a natural gas  
17 pipeline carrier for transportation of natural gas for delivery, storage, or further  
18 transportation, and including all pipe, pump and compressor stations, station  
19 equipment, and all other facilities used or necessary for an integral line of pipe to  
20 effectuate the transportation from point to point, excluding, however, gas processing  
21 plants, treaters, and separators;

22 (19) "natural gas pipeline carrier" means the owner, including a  
23 corporation, company, or other entity organized under the laws of the United States or  
24 of any state, of a natural gas pipeline, as the term is defined in this section, or an  
25 interest in it, or any person, including a corporation, company, or other entity  
26 organized under the laws of the United States or of any state, authorized to construct  
27 or extend pipeline facilities under this chapter.