

**SENATE BILL NO. 92**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY THE SENATE RESOURCES COMMITTEE

Introduced: 2/28/03

Referred: Resources, Finance

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act amending the standards applicable to determining whether, for purposes of the  
2 Alaska Stranded Gas Development Act, a proposed new investment constitutes a  
3 qualified project, and extending the deadline for applications relating to the  
4 development of contracts for payments in lieu of taxes and for royalty adjustments that  
5 may be submitted for consideration under that Act; and providing for an effective  
6 date."

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

8 \* **Section 1.** AS 43.82.100 is amended to read:

9 **Sec. 43.82.100. Qualified project.** Based on information available to the  
10 commissioner, the commissioner may determine that a proposal for new investment is  
11 a qualified project under this chapter only if the project

12 (1) is a project **that principally involves the production, processing,**  
13 **and transportation of natural gas derived from the area of the state lying north of**

1 64 degrees North latitude, including discrete facilities or portions of discrete  
 2 facilities that are necessary to produce, gather, process, condition, compress, or  
 3 distribute the natural gas,

4 (A) by pipeline to one or more markets outside the state by  
 5 means of an Alaska North Slope natural gas project; for purposes of this  
 6 subparagraph, "Alaska North Slope natural gas project" has the meaning  
 7 given "North Slope natural gas pipeline" as that term is defined in  
 8 AS 38.35.120(a)(1)(B) that is constructed or modified to follow generally a  
 9 route that parallels the Trans Alaska Pipeline System and the Alaska  
 10 Highway to the Canadian border to transport natural gas; or

11 (B) for [THE] export as [OF] liquefied natural gas;

12 (2) would produce at least 500,000,000,000 cubic feet of stranded gas  
 13 within 20 years from the commencement of commercial operations; and

14 (3) is capable, subject to applicable commercial regulation and  
 15 technical and economic considerations, of making gas available to meet the reasonably  
 16 foreseeable demand in this state for gas within the economic proximity of the project.

17 \* **Sec. 2.** AS 43.82.170 is amended to read:

18 **Sec. 43.82.170. Application deadline.** The commissioner of revenue or the  
 19 commissioner of natural resources may not act on an application for a contract  
 20 submitted under AS 43.82.120 unless the application is received by the Department of  
 21 Revenue **not** [NO] later than June 30, **2006** [2001].

22 \* **Sec. 3.** This Act takes effect immediately under AS 01.10.070(c).