

SENATE CONCURRENT RESOLUTION NO. 15
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Introduced: 5/4/05
Referred: Taken Up

A RESOLUTION

1 **Authorizing the Legislative Budget and Audit Committee to pursue and direct litigation**
2 **relating to state natural gas transportation.**

3 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 **WHEREAS** the economic and fiscal futures of the state are closely tied to the
5 commercialization of North Slope natural gas; and

6 **WHEREAS** the current climate of increasing national demand for natural gas
7 combined with declining natural gas reserves has created a demand for the state's energy
8 resources; and

9 **WHEREAS** the United States Congress passed and the President of the United States
10 signed into law the Alaska Natural Gas Pipeline Act to bring the state's North Slope natural
11 gas to the lower 48 states; and

12 **WHEREAS** the Alaska Natural Gas Pipeline Act (P.L. 108 - 324) required the
13 Federal Energy Regulatory Commission to issue regulations governing the conduct of open
14 seasons for state natural gas transportation projects; and

15 **WHEREAS** the Legislative Budget and Audit Committee provided testimony and
16 written comments to the Federal Energy Regulatory Commission during the development of

1 the open season regulations; and

2 **WHEREAS** the Federal Energy Regulatory Commission issued Order No. 2005 on
3 February 9, 2005, and the totality of the regulations was consistent with the substance of the
4 testimony and comments of the Legislative Budget and Audit Committee; and

5 **WHEREAS** Order No. 2005 conforms to the congressional mandate that the open
6 season regulations promote competition in the exploration, development, and production of
7 Alaska natural gas; and

8 **WHEREAS** Order No. 2005 also meets congressional directives to provide for access
9 to in-state delivery points for local consumption needs within the state; and

10 **WHEREAS** ChevronTexaco Natural Gas, a division of Chevron U.S.A., Inc., filed an
11 appeal to the United States Court of Appeals for the District of Columbia on April 8, 2005,
12 challenging Federal Energy Regulatory Commission Order No. 2005; and

13 **WHEREAS**, in order to preserve the ability of the Alaska State Legislature to voice
14 concerns or objections or provide relevant facts and testimony to the United States Court of
15 Appeals for the District of Columbia, it is necessary to file a motion to intervene within 30
16 days of the appeal;

17 **BE IT RESOLVED** that the Alaska State Legislature delegates to the Legislative
18 Budget and Audit Committee the full authority to intervene, appeal, and take all action
19 necessary to pursue and direct litigation regarding the Federal Energy Regulatory
20 Commission Order No. 2005; and be it

21 **FURTHER RESOLVED** that the Legislative Budget and Audit Committee is
22 authorized to hire counsel and make all decisions concerning the objectives, scope, and means
23 of pursuing these objectives, including settlement, compromise, and appeal.