

AMENDMENT # 2

By: French, Ellis,
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OFFERED IN THE SENATE
TO: CSSB 138(FIN)

1 Page 13, line 19, following "unless":

2 Insert new material to read:

3 "(A) the agreement or negotiated contract provides that the state is
4 the majority owner of the Alaska liquefied natural gas project defined in
5 AS 31.25.390; and

6 (B)"

7
8 Page 15, line 13, following "unless":

9 Insert new material to read:

10 "(A) the agreement or negotiated contract provides that the state is the
11 majority owner of the Alaska liquefied natural gas project defined in AS 31.25.390;
12 and

13 (B)"

14
15 Page 24, following line 1:

16 Insert new bill sections to read:

17 **** Sec. 30.** AS 42.08.220(b) is amended to read:

18 (b) The commission may

19 (1) review and approve recourse tariffs filed by an in-state natural gas
20 pipeline carrier under this chapter;

21 (2) review and approve contracts;

22 (3) investigate, on its own motion or after receiving a formal
23 complaint, a dispute

1 (A) related to rules, regulations, services, practices, and
2 facilities that are not subject to the dispute resolution provisions in an in-state
3 natural gas pipeline carrier's contracts or recourse tariff;

4 (B) presented by a complainant that does not have a contract
5 with the in-state natural gas pipeline carrier;

6 (C) related to the conduct of an in-state natural gas pipeline
7 carrier's open season under AS 42.08.300; to resolve the dispute, the
8 commission may order an expansion of an in-state natural gas pipeline or order
9 an open season under the terms provided for an expansion or open season in
10 this chapter or AS 38.35.121(a)(4) [AND (c)]; or

11 (D) related to an unreasonable diminution in quantity or quality
12 in the provision of service to a public utility that

13 (i) is a violation of the in-state natural gas pipeline
14 carrier's tariff or contract with the public utility;

15 (ii) has not been resolved by the in-state natural gas
16 pipeline carrier; and

17 (iii) will result in immediate injury, loss, or damage to
18 the peace, health, safety, or general welfare of the public as clearly
19 demonstrated by specific facts shown by affidavit or verified
20 complaint;

21 (4) adopt regulations that are necessary and proper to the performance
22 of the duties of the commission under this chapter, including regulations governing
23 practices and procedures of the commission; regulations adopted by the commission
24 may not be inconsistent with state law;

25 (5) initiate, intervene in, and appear personally or by counsel and offer
26 evidence in and participate in, proceedings before an officer, department, board,
27 commission, or court of this state involving an in-state natural gas pipeline carrier and
28 affecting the interests of the state; and

29 (6) appoint a qualified, unbiased, and impartial administrative law
30 judge with experience in the general practice of law to conduct hearings under this
31 chapter; the administrative law judge may perform other duties in connection with the

1 administration of this chapter and other laws; an administrative law judge hired to
 2 conduct hearings under this chapter shall have been admitted to practice law for at
 3 least five years immediately before appointment under this paragraph.

4 * **Sec. 31.** AS 42.08.300(d) is amended to read:

5 (d) An in-state natural gas pipeline carrier shall conduct an open season for an
 6 expansion of its pipeline system when it has received one or more requests for firm
 7 transportation service from potential shippers that meet the pipeline's creditworthiness
 8 requirements and that, in the aggregate, would enable the expansion of the pipeline's
 9 system on a commercially reasonable basis. [AN EXPANSION OF THE PIPELINE
 10 SYSTEM IS NOT COMMERCIALY REASONABLE IF THE EXPANSION
 11 WOULD CAUSE THE PIPELINE TO BE A COMPETING NATURAL GAS
 12 PIPELINE PROJECT FOR PURPOSES OF AS 43.90.]

13 * **Sec. 32.** AS 42.08.370(a) is amended to read:

14 (a) A contract entered into by an in-state natural gas pipeline carrier may
 15 provide for expansion [UNLESS THE EXPANSION WOULD CAUSE THE
 16 PIPELINE TO BE A COMPETING NATURAL GAS PIPELINE PROJECT FOR
 17 PURPOSES OF AS 43.90]."

18
 19 Page 25, line 9:

20 Delete "sec. 30"

21 Insert "sec. 33"

22
 23 Page 31, line 18:

24 Delete "sec. 37"

25 Insert "sec. 40"

26
 27 Page 53, line 14:

28 Delete "AS 31.25.080(f) is"

29 Insert "AS 31.25.080(c), 31.25.080(f); and AS 38.35.121(c) are"

30
 31 Page 56, line 4:

1 Delete "30, 37, 39, and 55 - 61"

2 Insert "33, 40, 42, and 50 - 64"

3

4 Page 56, line 6:

5 Delete "Section 38"

6 Insert "Section 41"

7

8 Page 56, line 7:

9 Delete "secs. 62 and 63"

10 Insert "secs. 65 and 66"