

Fiscal Note

State of Alaska
2024 Legislative Session

Bill Version:	HB 394
Fiscal Note Number:	1
(H) Publish Date:	4/8/2024

Identifier: HB394-DCCED-RCA-03-29-24
 Title: RCA REGULATE NATURAL GAS STORAGE FACILITY
 Sponsor: RESOURCES
 Requester: (H) RESOURCES

Department: Department of Commerce, Community and Economic Development
 Appropriation: Regulatory Commission of Alaska
 Allocation: Regulatory Commission of Alaska
 OMB Component Number: 2417

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2025 Appropriation Requested	Included in Governor's FY2025 Request	Out-Year Cost Estimates					
			FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time								
Part-time								
Temporary								

Change in Revenues

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2024) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2025) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
 If yes, by what date are the regulations to be adopted, amended or repealed? N/A

Why this fiscal note differs from previous version/comments:

Not applicable, initial version

Prepared By:	Robert A. Doyle, Chairman	Phone:	(907)276-6222
Division:	Regulatory Commission of Alaska	Date:	03/29/2024
Approved By:	Hannah Lager, Administrative Services Director	Date:	03/29/24
Agency:	Commerce, Community, and Economic Development		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2024 LEGISLATIVE SESSION

Analysis

The Regulatory Commission of Alaska (RCA) regulates public utilities, including entities owning, operating, managing, or controlling any plant, pipeline, or service for furnishing liquified natural gas storage service or natural gas storage service. This bill changes the current exemptions to require RCA regulatory oversight of natural gas storage service and liquified natural gas storage services, even if the storage facility is part of a pipeline facility operated by a pipeline carrier or a natural gas pipeline facility operated by a natural gas pipeline carrier. In addition, the legislation addresses cost recovery related to the provision of natural gas storage service and liquified natural gas storage services and the confidential treatment of records held by the RCA related to the finances of a gas storage facility, liquified natural gas storage facility, a public utility providing natural gas storage service, or a pipeline carrier. The RCA may disclose information from the records to a state or federal agency if it determines disclosure is necessary for the RCA to complete its duties.

Passage of this bill would require the RCA to: (1) process certificate applications for pipeline carriers and natural gas pipeline carriers with storage facilities that are part of an in-state pipeline facility operated by the carrier; (2) review and approve periodic tariff filings by these carriers to implement or revise terms and rates for natural gas storage service, including charges for reserving or utilizing capacity in storage facility and for injecting or withdrawing stored natural gas or liquified natural gas; and (3) review and approve tariff filings by regulated electric and natural gas utilities requesting to recover the costs of using the storage service through their cost of power or gas cost adjustment. The RCA will review the impacts of this legislation on regulation and certificate application forms and make amendments as needed.

The above costs will be absorbed within the Regulatory Commission of Alaska's existing budgeted authority. There are no additional fiscal impacts anticipated from this legislation.