

HOUSE BILL NO. 119

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FOURTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES STAPP, Carrick, Prax, Tomaszewski, Allard, Schwanke, Dibert, Burke

Introduced: 2/26/25

Referred: State Affairs, Resources

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to an in-state natural gas pipeline developed by the Alaska Gasline
2 Development Corporation; and providing for an effective date."

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

4 * **Section 1.** AS 31.25.005 is amended to read:

5 **Sec. 31.25.005. Purpose.** The corporation shall, for the benefit of the state, to
6 the fullest extent possible,

7 (1) develop and have primary responsibility for developing natural gas
8 pipelines, an Alaska liquefied natural gas project, and other transportation mechanisms
9 to deliver natural gas in-state for the maximum benefit of the people of the state;

10 (2) when developing natural gas pipelines, an Alaska liquefied natural
11 gas project, and other transportation mechanisms to deliver natural gas in-state,
12 provide economic benefits in the state and revenue to the state;

13 (3) assist the Department of Natural Resources and the Department of
14 Revenue to maximize the value of the state's royalty natural gas, natural gas delivered

1 to the state as payment of tax, and other natural gas received by the state;

2 (4) advance an in-state natural gas pipeline as described in the July 1,
3 2011, project plan prepared under former AS 38.34.040 by the corporation while a
4 subsidiary of the Alaska Housing Finance Corporation, with modifications determined
5 by the corporation to be appropriate to develop, finance, construct, and operate an in-
6 state natural gas pipeline in a safe, prudent, economical, and efficient manner, for the
7 purpose of making natural gas, including propane and other hydrocarbons associated
8 with natural gas other than oil, available to Fairbanks, the Southcentral region of the
9 state, and other communities in the state at the lowest rates possible; **an in-state**
10 **natural gas pipeline advanced under this paragraph must include a direct spur**
11 **line to the City of Fairbanks and the Fairbanks North Star Borough;**

12 (5) advance an Alaska liquefied natural gas project by developing
13 infrastructure and providing related services, including services related to
14 transportation, liquefaction, a marine terminal, marketing, and commercial support; if
15 the corporation provides a service under this paragraph to the state, a public
16 corporation or instrumentality of the state, a political subdivision of the state, or
17 another entity of the state, the corporation may not charge a fee for the service in an
18 amount greater than the amount necessary to reimburse the corporation for the cost of
19 the service;

20 (6) endeavor to develop natural gas pipelines and other transportation
21 mechanisms to deliver natural gas, including propane and other hydrocarbons
22 associated with natural gas other than oil, to public utility and industrial customers in
23 areas of the state to which the natural gas, including propane and other hydrocarbons
24 associated with natural gas other than oil, may be delivered at commercially
25 reasonable rates; and

26 (7) endeavor to develop natural gas pipelines and other transportation
27 mechanisms that offer commercially reasonable rates for shippers and access for
28 shippers who produce natural gas, including propane and other hydrocarbons
29 associated with natural gas other than oil, in the state.

30 * **Sec. 2.** This Act takes effect immediately under AS 01.10.070(c).