

Introduced: 5/15/80
Referred: Resources

1 IN THE SENATE

BY THE RULES COMMITTEE

2 SENATE RESOLUTION NO. 25

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 Relating to the disposition of state
6 royalty oil and gas taken in kind
7 from state leases.

8 BE IT RESOLVED BY THE SENATE:

9 WHEREAS a portion of supplies of oil and natural gas have been used to
10 fulfill consumer market demands for energy in Alaska's urban centers; and

11 WHEREAS the portion of state royalty oil and gas from state leases which
12 has until now been taken by the state in value has been significant, allowing
13 a portion of these royalty oil and gas supplies to meet in-state energy
14 demands; and

15 WHEREAS there is growing demand for oil and gas use in-state; and

16 WHEREAS, because of deregulation and market factors, the value of the
17 state's oil and natural gas has been steadily increasing; and

18 WHEREAS the increasing value of oil and gas supplies is reflected in the
19 increased costs of energy paid by consumers; and

20 WHEREAS the state may give notice and choose to accept its royalty oil
21 and gas in kind;

22 BE IT RESOLVED by the Alaska State Senate that it respectfully requests
23 the governor, the commissioner of natural resources, and the Royalty Oil and
24 Gas Development Advisory Board to define and publish specific criteria for
25 the future taking of the state's royalty oil and gas from state leases in
26 kind, for purposes of resale to utilities which use oil and gas at rates
27 which are lower than market rates, conditioned on the subsequent sale of the
28 oil and gas by the utilities to consumers at rates which reflect the reduced
29 cost of acquiring the oil or gas paid by the suppliers.