

Introduced: 2/26/81  
Referred: Resources

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 SENATE BILL NO. 218

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the use of waste heat produced by  
7 certain pipeline facilities; and providing for an  
8 effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 \* Section 1. AS 38.35 is amended by adding a new section to read:

11 Sec. 38.35.226. DESIGN AND CONSTRUCTION OF PUMP AND COMPRESSOR  
12 STATIONS. (a) When required by the Alaska Pipeline Commission under  
13 AS 42.06.140(11), pump or compressor stations designed and constructed  
14 after January 1, 1982, for an oil or natural gas pipeline on state land  
15 leased under this chapter shall be designed and constructed so that  
16 waste heat produced by the pump or compressor station may be used for  
17 agricultural production and for the generation of electricity.

18 (b) The lessee may charge to the users of the waste heat the  
19 additional cost of designing and constructing a pump or compressor  
20 station for use of waste heat as required by (a) of this section. The  
21 amount of money to be paid for the waste heat generated by a pump or  
22 compressor station shall be determined under terms of a contract nego-  
23 tiated between the lessee and the users of the waste heat.

24 (c) A pump or compressor station designed and constructed to put  
25 waste heat to use

26 (1) should be compatible with the pipeline;

27 (2) may not interfere with the operation of the pipeline;

28 and

29 (3) may not create a safety or environmental hazard.

1 (d) A lessee who fails to construct a pump or compressor station  
2 when required to do so under (a) of this section

3 (1) is liable in a civil action to the state for all costs  
4 incurred by the state in the design and construction or reconstruction  
5 of a pump or compressor station for compliance with (a) of this section;

6 (2) shall, upon written notice from the commissioner, there-  
7 after pay to the state twice the amount of the rent due on the lease  
8 for the tract on which the pump or compressor station is located.

9 (e) This section does not apply to a pipeline used to gather gas  
10 or oil for primary processing, treatment or liquefaction by a facility  
11 located in the state unless an agreement for the purchase of the waste  
12 heat for agricultural production or for the generation of electricity  
13 is executed before the lessee designs and constructs the pump or com-  
14 pressor station.

15 \* Sec. 2. AS 42.06.140 is amended by adding a new paragraph to read:

16 (11) shall, require a pump or compressor station for an oil  
17 or natural gas pipeline on state land leased under AS 38.35 to be  
18 designed and constructed so that waste heat produced by the pump or  
19 compressor station may be used for agricultural production and for the  
20 generation of electricity when, after consultation with officials of the  
21 Alaska Energy Center, the commission determines that it is techno-  
22 logically possible and economically feasible to do so.

23 \* Sec. 3. This Act takes effect January 1, 1982.  
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