

Introduced: 4/13/83
Referred: Resources
and Finance

1 IN THE SENATE BY THE RESOURCES COMMITTEE
2 SENATE JOINT RESOLUTION NO. 24
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 THIRTEENTH LEGISLATURE - FIRST SESSION
5 Requesting that Alaska be exempted from
6 legislation allowing abrogation of
7 existing natural gas contracts.
8 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:
9 WHEREAS the proposed federal "Natural Gas Consumer Regulatory Reform
10 Amendments of 1983" (S615) would bring about natural gas deregulation and
11 with it the desirable objectives of natural gas price stability, prudent
12 resource development and consumer protection; and
13 WHEREAS local inequities, warranting immediate rectification, can
14 occur in such wide-ranging legislation as S615; and
15 WHEREAS more than half of Alaska's population is dependent on electric
16 energy generated by low cost natural gas under existing, long-term con-
17 tracts negotiated at arm's length and in good faith; and
18 WHEREAS Alaska's electric and natural gas utilities, lacking access to
19 the interstate gas pipeline systems taken for granted in virtually every
20 other state, do not have the ability to "shop around" for alternate gas
21 supplies; and
22 WHEREAS the abrogation of existing gas supply contracts could have
23 devastating impacts on the utility rates of most Alaska consumers already
24 faced with high living costs; and
25 WHEREAS S615 contains a "market-out" provision (Sec. 316) that would
26 allow abrogation of existing natural gas-supply contracts effective upon 45
27 days' notice by the abrogating party;
28 BE IT RESOLVED that the Alaska State Legislature respectfully requests
29 the United States Congress to exempt the State of Alaska from Section 316

1 of S615 or other natural gas legislation allowing abrogation of existing
2 natural gas supply contracts; and be it

3 **FURTHER RESOLVED** that the Alaska Congressional delegation is urged to
4 actively support an exemption for the state from Section 316 of S615 or
5 similar natural gas legislation.

6 **COPIES** of this resolution shall be sent to the Honorable George Bush,
7 President of the U.S. Senate; the Honorable Thomas P. O'Neill, Jr., Speaker
8 of the U.S. House of Representatives; and to the Honorable Ted Stevens and
9 the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young,
10 U.S. Representative, members of the Alaska delegation in Congress.