

Offered: 2/21/86
Referred: Resources and
Finance

Original sponsor: Pignalberi

1 IN THE HOUSE
2 CS FOR HOUSE BILL NO. 445 (Oil & Gas)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FOURTEENTH LEGISLATURE - SECOND SESSION
5 A BILL

BY THE HOUSE SPECIAL COMMITTEE
ON OIL AND GAS

6 For an Act entitled: "An Act relating to information on royalty oil and
7 gas."

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

9 * Section 1. AS 38.05.183 is amended by adding new subsections to read:

10 (h) The department shall collect and compile information neces-
11 sary to determine on a monthly basis a representative

12 (1) price paid for state royalty oil and gas by in-state
13 refiners;

14 (2) refinery gate sales price of in-state refined fuel
15 products;

16 (3) wholesale or market exchange sales price of in-state
17 refined fuel products; and

18 (4) retail price of in-state refined fuel products.

19 (i) The commissioner may not enter into a noncompetitively-bid
20 contract of more than one year for the sale of state royalty oil or
21 gas to an in-state refiner unless the refiner agrees to provide infor-
22 mation to, and assist or allow the collection of information by, the
23 department on a monthly basis to determine the representative monthly
24 wholesale price, market exchange sales price, and refinery gate sales
25 price of the in-state refined fuel products of the refiner.

26 (j) A person who contracts to purchase royalty oil from the
27 state under this section under a noncompetitively-bid contract of more
28 than one year for in-state use shall provide to the commissioner,
29 during the period that the purchaser takes, refines, transports, or

1 otherwise deals with the purchased royalty oil, a report for the
2 preceding month that indicates for the purchased royalty oil

3 (1) the volume of oil taken;

4 (2) the products, including residual oil, produced from the
5 oil;

6 (3) the volume of oil sold in the state; and

7 (4) the volume of oil exported from the state.

8 * Sec. 2. AS 38.05.965 is amended by adding a new paragraph to read:

9 (24) "fuel products" means all oil and gas refined products
10 produced at an in-state refinery from state royalty oil and gas.

11 * Sec. 3. AS 38.05.183(j) enacted by sec. 1 of this Act applies to
12 noncompetitively-bid contracts of more than one year for the purchase of
13 royalty oil for in-state use from the state that are entered into on or
14 after the effective date of this Act.