

BY THE RESOURCES COMMITTEE

1 IN THE HOUSE

2

HOUSE BILL NO. 572

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SIXTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to management of cases involving  
7 interstate regulation of pipeline carriers."

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

9 \* Section 1. PURPOSE OF ACT. The purpose of this Act is to transfer  
10 principal responsibility for representation of the interests of the state  
11 in federal proceedings involving the interstate regulation of pipeline  
12 carriers from the Department of Law to the Department of Natural Resources.

13 \* Sec. 2. AS 42.06.140(a) is amended to read:

14 (a) The commission

15 (1) shall regulate pipelines and pipeline carriers in the  
16 state;

17 (2) may investigate upon complaint or its own motion, the  
18 rates, classifications, rules, regulations, prices, services, prac-  
19 tices, and facilities of pipeline carriers, and the performance of  
20 obligations under and compliance with the terms of leases issued by  
21 the state;

22 (3) may make, prescribe, or require just, fair, and reason-  
23 able rates, classifications, regulations, practices, services, and  
24 facilities for pipeline carriers;

25 (4) may require pipeline carriers and affiliated interests  
26 to file with the commission reports and other information and data  
27 required or permitted to be required by other provisions of this  
28 chapter;

29 (5) may adopt regulations that are necessary and proper to

1 the performance of its duties under this chapter, including regu-  
2 lations governing practices and procedures of the commission; the  
3 regulations may not be inconsistent with state law;

4 (6) shall during normal business hours have access to and  
5 may designate any of its employees, agents, or consultants to inspect  
6 and examine the accounts, financial and property records, books, maps,  
7 inventories, appraisals, valuations, and related reports kept by a  
8 pipeline carrier, or kept for it by others, that directly affect the  
9 interests of the state and directly relate to pipelines located in the  
10 state;

11 (7) may initiate, intervene in, and appear personally or by  
12 counsel and offer evidence in and participate in, any proceedings  
13 involving a pipeline carrier, and affecting the interests of the  
14 state, before any officer, department, board, commission or court of  
15 this state;

16 (8) shall require permits for the construction, enlargement  
17 in size or operating capacity, extension, connection and interconnec-  
18 tion, operation, or abandonment of any oil or gas pipeline facility or  
19 facilities, subject to necessary and reasonable terms, conditions and  
20 limitations;

21 (9) may prescribe the system of accounts and regulate the  
22 service of an oil or gas pipeline facility;

23 (10) shall provide all reasonable assistance to the Depart-  
24 ment of Natural Resources [LAW] in intervening in, offering evidence  
25 in, and participating in proceedings involving a pipeline carrier or  
26 affiliated interest and affecting the interests of the state, before  
27 an officer, department, board, commission, or court of another state  
28 or the United States.

29 \* Sec. 3. AS 42.06.230(a) is amended to read:

1 (a) Except as to jurisdiction of the Department of Natural  
2 Resources under AS 42.06.140(a)(10) and AS 44.37.020(c) [THE DEPART-  
3 MENT OF LAW AS PROVIDED BY AS 42.06.140(10)], the jurisdiction and  
4 authority over the subject matter of this chapter is exclusively in  
5 the commission. To the extent that the performance of any duties of  
6 the commission affects a pipeline carrier or a pipeline subject to  
7 regulation under federal law, the performance of its duties may not,  
8 as to that pipeline carrier or pipeline, conflict with applicable  
9 federal laws, regulations, orders, or other requirements.

10 \* Sec. 4. AS 44.37.020 is amended by adding a new subsection to read:

11 (c) The Department of Natural Resources has principal respon-  
12 sibility in all federal proceedings involving the interstate regu-  
13 lation of a pipeline carrier. In the exercise of its responsibilities  
14 under this subsection, the department has all the powers and duties  
15 granted to the Alaska Public Utilities Commission under AS 42.06.-  
16 140(a)(1) - (9) with respect to the pipeline carrier. However, before  
17 the department exercises its authority under this subsection or in a  
18 proceeding arising out of the administration or enforcement of state  
19 law under authority granted in this subsection, the commissioner of  
20 natural resources shall consult with the commissioner of revenue, the  
21 commissioner of environmental conservation, the attorney general, and  
22 the Alaska Public Utilities Commission.