

Original sponsor(s): Resources Committee

1 IN THE HOUSE BY THE RESOURCES COMMITTEE
2 CS FOR HOUSE BILL NO. 572 (Resources)
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 the formulation of policy and
7 management of cases involving interstate regulation
8 of pipeline carriers."
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:
10 * Section 1. PURPOSE OF ACT. The purpose of this Act is to assign to
11 the Department of Revenue the principal responsibility for the formulation
12 of state policy relating to interstate regulation of pipeline carriers by
13 the federal government. The representation of the interests of the state
14 in federal proceedings involving the interstate regulation of pipeline
15 carriers remains with the Department of Law.
16 * Sec. 2. AS 42.06.140(a) is amended to read:
17 (a) The commission
18 (1) shall regulate pipelines and pipeline carriers in the
19 state;
20 (2) may investigate upon complaint or its own motion, the
21 rates, classifications, rules, regulations, prices, services, prac-
22 tices, and facilities of pipeline carriers, and the performance of
23 obligations under and compliance with the terms of leases issued by
24 the state;
25 (3) may make, prescribe, or require just, fair, and reason-
26 able rates, classifications, regulations, practices, services, and
27 facilities for pipeline carriers;
28 (4) may require pipeline carriers and affiliated interests
29 to file with the commission reports and other information and data

1 required or permitted to be required by other provisions of this
2 chapter;

3 (5) may adopt regulations that are necessary and proper to
4 the performance of its duties under this chapter, including regu-
5 lations governing practices and procedures of the commission; the
6 regulations may not be inconsistent with state law;

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

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

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

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

26 (10) shall provide all reasonable assistance to the Depart-
27 ment of Revenue in formulating state policy relating to interstate
28 regulation of pipeline carriers by the federal government, and to the
29 Department of Law in intervening in, offering evidence in, and

1 participating in proceedings involving a pipeline carrier or affili-
2 ated interest and affecting the interests of the state, before an
3 officer, department, board, commission, or court of another state or
4 the United States.

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

6 (a) Except as to jurisdiction of the Department of Revenue under
7 AS 42.06.140(a)(10) and AS 44.25.025 and of the Department of Law
8 under [AS PROVIDED BY] AS 42.06.140(10), the jurisdiction and author-
9 ity over the subject matter of this chapter is exclusively in the
10 commission. To the extent that the performance of any duties of the
11 commission affects a pipeline carrier or a pipeline subject to regu-
12 lation under federal law, the performance of its duties may not, as to
13 that pipeline carrier or pipeline, conflict with applicable federal
14 laws, regulations, orders, or other requirements.

15 * Sec. 4. AS 44.25 is amended by adding a new section to read:

16 Sec. 44.25.025. DUTIES OF DEPARTMENT WITH RESPECT TO NATURAL
17 RESOURCES. The Department of Revenue has principal responsibility for
18 formulating state policy relating to the interstate regulation of a
19 pipeline carrier by the federal government. In the exercise of its
20 responsibilities under this section, the Department of Revenue has all
21 the powers and duties granted to the Alaska Public Utilities Commis-
22 sion under AS 42.06.140(a)(1) - (9) with respect to the pipeline
23 carrier. However, before the Department of Revenue exercises its
24 authority under this section or in a proceeding arising out of the
25 administration or enforcement of state law under authority granted in
26 this section, the commissioner of revenue shall consult with the
27 commissioner of natural resources, the commissioner of environmental
28 conservation, the attorney general, and the Alaska Public Utilities
29 Commission.