

SB

384

23-LS1847H
Cook
4/7/04

CS FOR SENATE BILL NO. 384()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): SENATE TRANSPORTATION COMMITTEE

A BILL
FOR AN ACT ENTITLED

1 **"An Act relating to a portion of a natural gas pipeline with a terminus at the Cook Inlet**
2 **Basin."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 *** Section 1. AS 42.40.250(31) is amended to read:**

5 (31) provide financing for the acquisition, construction, improvement,
6 maintenance, equipping, and operation of a natural gas pipeline and related facilities
7 for the transportation of natural gas recovered from the North Slope of this state
8 without regard to whether the facilities are or will be owned in whole or in part by the
9 corporation or located on land owned by the corporation, except that a portion of the
10 pipeline must follow the Alaska Railroad right-of-way from the City of Fairbanks
11 to the pipeline terminus at the Cook Inlet Basin.



Official Business

ALASKA STATE LEGISLATURE

SENATOR THOMAS H. WAGONER

- Co-Chair, Senate Transportation Committee
- Vice-Chair, Senate Resources Committee
- Vice-Chair, Community & Regional Affairs
- Member, Legislative Council

Session: January – May
State Capitol, #427
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Interim: May – December
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SB 384 – Route of Natural Gas Line funded by Alaska Railroad

Sponsor Statement

This bill amends legislation adopted last year that authorized use of Alaska Railroad bonds to construct a natural gas pipeline and related facilities.

The purpose of the legislation is to demonstrate that a natural gas pipeline from the Fairbanks area to the Cook Inlet Basin, following the Alaska Railroad right-of-way, is a viable route.

The Cook Inlet Basin holds the majority of the population of Alaska, who rely on natural gas for household consumption and also as a fuel for electrical generation.

Additionally, there is a billion dollar petrochemical industry along the Cook Inlet that relies heavily on natural gas.

Amendment #1

OFFERED IN SENATE BY: SENATOR WAGONER

To: **Draft CS for SB 384** (version 23-LS1847\H dated 4/7/04)
An Act relating to a natural gas pipeline with a terminus at the Cook
Inlet Basin

1 Page 1, lines 9 - 11, following "corporation," delete in its entirety and
2 insert::

3 "except that any pipeline financed under this paragraph with a
4 terminus in the Cook Inlet Basin must, where technically,
5 economically, and environmentally feasible, follow the Alaska
6 Railroad right-of-way for the portion of the project from the City of
7 Fairbanks or from the point of a gas offtake valve on a pre-
8 existing or proposed pipeline project, to the pipeline terminus in
9 the Cook Inlet Basin."

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: CSSB 384(TRA)
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
Title Route of Nat Gas Pipeline RDU Revenue Programs & Services
Funded by RR Component Commissioner's Office
Sponsor Senate Transportation
Requester Senate Labor & Commerce Component No. 123

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 0.0
Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation will not have a fiscal impact on the Department of Revenue.

Prepared by: Steve Porter, Deputy Commissioner Phone (907) 465-2365
Division Department of Revenue Date/Time 4/21/04 2:06 PM
Approved by: Steve Porter, Deputy Commissioner Date 4/21/2004
Agency Department of Revenue