



# Alaska State Legislature

1970

Source:

SCR 42

## SENATE CONCURRENT RESOLUTION NO. 42

Relating to oil pipeline tariffs in the Cook Inlet area.

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**BE IT RESOLVED**

**BY THE LEGISLATURE OF THE STATE OF ALASKA:**

WHEREAS tariffs charged by the Cook Inlet Pipeline Company for oil transported from pipeline inlet to ship's rail were increased by 25 per cent effective May 1, 1969; and

WHEREAS the tariffs were filed with the Interstate Commerce Commission and, at least in part, allegedly based upon revised estimates of reserves, showing a decrease in reserves; and

WHEREAS some of the individual oil operators in the Cook Inlet are known to disagree with the revised estimate of reserves, claiming in part that reserves available through pressure maintenance operations may not have been considered; and

WHEREAS oil transportation costs through their effect on the wellhead price against which royalty and severance rates are applied, are of direct concern to the state; and

WHEREAS, currently, there is little information available to either the state or the oil operators upon which they could base an analysis of the validity of the tariffs;

BE IT RESOLVED by the Sixth State Legislature that the Governor is respectfully requested to direct the Commissioner of Natural Resources to file a complaint with the Interstate Commerce Commission questioning the validity of the increased Cook Inlet Pipeline Company tariffs; and be it

FURTHER RESOLVED that the Department of Natural Resources

report to the Seventh Legislature, First Session the satisfaction, if any, granted by the Interstate Commerce Commission, with specific reference to matters of jurisdiction exercised, the nature of relief and statement of facts concerning the pipeline tariffs.