

an Abolition of Office of Federal Inspector note under section 719e of this title. Functions and authority vested in Secretary of Energy subsequently transferred to Federal Coordinator for Alaska Natural Gas Transportation Projects by section 720d(f) of this title.

#### CHAPTER 15D—ALASKA NATURAL GAS PIPELINE

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#### § 720. Definitions

In this chapter:

##### (1) Alaska natural gas

The term “Alaska natural gas” means natural gas derived from the area of the State of Alaska lying north of 64 degrees north latitude.

##### (2) Alaska natural gas transportation project

The term “Alaska natural gas transportation project” means any natural gas pipeline system that carries Alaska natural gas to the border between Alaska and Canada (including related facilities subject to the jurisdiction of the Commission) that is authorized under—

- (A) the Alaska Natural Gas Transportation Act of 1976 (15 U.S.C. 719 et seq.); or
- (B) section 720a of this title.

##### (3) Alaska natural gas transportation system

The term “Alaska natural gas transportation system” means the Alaska natural gas transportation project authorized under the Alaska Natural Gas Transportation Act of 1976 (15 U.S.C. 719 et seq.) and designated and described in section 2 of the President’s decision.

##### (4) Commission

The term “Commission” means the Federal Energy Regulatory Commission.

##### (5) Federal Coordinator

The term “Federal Coordinator” means the head of the Office of the Federal Coordinator for Alaska Natural Gas Transportation Projects established by section 720d(a) of this title.

##### (6) President’s decision

The term “President’s decision” means the decision and report to Congress on the Alaska natural gas transportation system—

(A) issued by the President on September 22, 1977, in accordance with section 7 of the Alaska Natural Gas Transportation Act of 1976 (15 U.S.C. 719e); and

(B) approved by Public Law 95-158 (15 U.S.C. 719f note; 91 Stat. 1268).

##### (7) Secretary

The term “Secretary” means the Secretary of Energy.

##### (8) State

The term “State” means the State of Alaska.

(Pub. L. 108-324, div. C, §102, Oct. 13, 2004, 118 Stat. 1255.)

#### REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this division”, meaning division C of Pub. L. 108-324, Oct. 13, 2004, 118 Stat. 1255, which is classified principally to this chapter. For complete classification of division C to the Code, see Short Title note set out below and Tables.

The Alaska Natural Gas Transportation Act of 1976, referred to in pars. (2)(A) and (3), is Pub. L. 94-586, Oct. 22, 1976, 90 Stat. 2903, as amended, which is classified generally to chapter 15C (§719 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 719 of this title and Tables.

#### SHORT TITLE

Pub. L. 108-324, div. C, §101, Oct. 13, 2004, 118 Stat. 1255, provided that: “This division [enacting this chapter and amending section 719h of this title] may be cited as the ‘Alaska Natural Gas Pipeline Act’.”

#### § 720a. Issuance of certificate of public convenience and necessity

##### (a) Authority of the Commission

Notwithstanding the Alaska Natural Gas Transportation Act of 1976 (15 U.S.C. 719 et seq.), the Commission may, in accordance with section 7(c) of the Natural Gas Act (15 U.S.C. 717f(c)), consider and act on an application for the issuance of a certificate of public convenience and necessity authorizing the construction and operation of an Alaska natural gas transportation project other than the Alaska natural gas transportation system.

##### (b) Issuance of certificate

###### (1) In general

The Commission shall issue a certificate of public convenience and necessity authorizing the construction and operation of an Alaska natural gas transportation project under this section if the applicant has satisfied the requirements of section 7(e) of the Natural Gas Act (15 U.S.C. 717f(e)).

###### (2) Considerations

In considering an application under this section, the Commission shall presume that—

- (A) a public need exists to construct and operate the proposed Alaska natural gas transportation project; and
- (B) sufficient downstream capacity will exist to transport the Alaska natural gas moving through the project to markets in the contiguous United States.

##### (c) Expedited approval process

Not later than 60 days after the date of issuance of the final environmental impact state-

ment under section 720b of this title for an Alaska natural gas transportation project, the Commission shall issue a final order granting or denying any application for a certificate of public convenience and necessity for the project under section 7(c) of the Natural Gas Act (15 U.S.C. 717f(c)) and this section.

**(d) Prohibition of certain pipeline route**

No license, permit, lease, right-of-way, authorization, or other approval required under Federal law for the construction of any pipeline to transport natural gas from land within the Prudhoe Bay oil and gas lease area may be granted for any pipeline that follows a route that—

(1) traverses land beneath navigable waters (as defined in section 1301 of title 43) beneath, or the adjacent shoreline of, the Beaufort Sea; and

(2) enters Canada at any point north of 68 degrees north latitude.

**(e) Open season**

**(1) In general**

Not later than 120 days after October 13, 2004, the Commission shall issue regulations governing the conduct of open seasons for Alaska natural gas transportation projects (including procedures for the allocation of capacity).

**(2) Regulations**

The regulations referred to in paragraph (1) shall—

(A) include the criteria for and timing of any open seasons;

(B) promote competition in the exploration, development, and production of Alaska natural gas; and

(C) for any open season for capacity exceeding the initial capacity, provide the opportunity for the transportation of natural gas other than from the Prudhoe Bay and Point Thomson units.

**(3) Applicability**

Except in a case in which an expansion is ordered in accordance with section 720c of this title, initial or expansion capacity on any Alaska natural gas transportation project shall be allocated in accordance with procedures to be established by the Commission in regulations issued under paragraph (1).

**(f) Projects in the contiguous United States**

**(1) In general**

An application for additional or expanded pipeline facilities that may be required to transport Alaska natural gas from Canada to markets in the contiguous United States may be made in accordance with the Natural Gas Act [15 U.S.C. 717 et seq.].

**(2) Expansion**

To the extent that a pipeline facility described in paragraph (1) includes the expansion of any facility constructed in accordance with the Alaska Natural Gas Transportation Act of 1976 (15 U.S.C. 719 et seq.), that Act shall continue to apply.

**(g) Study of in-State needs**

The holder of the certificate of public convenience and necessity issued, modified, or amended

by the Commission for an Alaska natural gas transportation project shall demonstrate that the holder has conducted a study of Alaska in-State needs, including tie-in points along the Alaska natural gas transportation project for in-State access.

**(h) Alaska royalty gas**

**(1) In general**

Except as provided in paragraph (2), the Commission, on a request by the State and after a hearing, may provide for reasonable access to the Alaska natural gas transportation project by the State (or State designee) for the transportation of royalty gas of the State for the purpose of meeting local consumption needs within the State.

**(2) Exception**

The rates of shippers of subscribed capacity on an Alaska natural gas transportation project described in paragraph (1), as in effect as of the date on which access under that paragraph is granted, shall not be increased as a result of such access.

**(i) Regulations**

The Commission may issue such regulations as are necessary to carry out this section.

(Pub. L. 108-324, div. C, §103, Oct. 13, 2004, 118 Stat. 1256.)

REFERENCES IN TEXT

The Alaska Natural Gas Transportation Act of 1976, referred to in subsecs. (a) and (f)(2), is Pub. L. 94-586, Oct. 22, 1976, 90 Stat. 2903, as amended, which is classified generally to chapter 15C (§719 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 719 of this title and Tables.

The Natural Gas Act, referred to in subsec. (f)(1), is act June 21, 1938, ch. 556, 52 Stat. 821, as amended, which is classified generally to chapter 15B (§717 et seq.) of this title. For complete classification of this Act to the Code, see section 717w of this title and Tables.

**§ 720b. Environmental reviews**

**(a) Compliance with NEPA**

The issuance of a certificate of public convenience and necessity authorizing the construction and operation of any Alaska natural gas transportation project under section 720a of this title shall be treated as a major Federal action significantly affecting the quality of the human environment within the meaning of section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)).

**(b) Designation of lead agency**

**(1) In general**

The Commission—

(A) shall be the lead agency for purposes of complying with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); and

(B) shall be responsible for preparing the environmental impact statement required by section 102(2)(c)<sup>1</sup> of that Act [42 U.S.C. 4332(2)(C)] with respect to an Alaska natural

<sup>1</sup> So in original. Probably should be section “102(2)(C)”.