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Senate Resources Committee

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Legislature Streamlines Phased Projects Permits

(JUNEAU) – The Alaska House passed a bill today clarifying the best-interest finding requirement for phased projects.

“The Resources Committee introduced Senate Bill 156 because a ruling by the Alaska Supreme Court will cause increased costs and time delays in exploring and developing Alaska’s oil and gas resources.” said Sen. Drue Pearce (R-Anchorage), vice-chair of the Senate Resources Committee. “The court has misinterpreted the intent of the 1994 amendment to the Alaska Land Act regarding best interest findings for phased projects.”

The court found that the Department of Natural Resources must issue a best interest finding for each phase of an oil and gas development project. SB 156 makes it clear that the department is only required to write a single best interest finding for multi-phased projects.

Subsequent phases in a project are subject to the department’s approval and to separate reviews by extensive federal and state permitting processes that include public input and scrutiny by other agencies. This ensures the public has opportunity to comment during the exploration, development, and transportation phases of a project.

“Along with incurring loss of time to do permitting at each of these phases, there’s also a cost associated with the supreme court’s decision, both to the state and to the permittees.” said Pearce “SB 156 specifies clearly in law that no subsequent best-interest finding is required after the disposal phase.”

SB 156 passed the House with a vote of 31 – 6 and a notice of reconsideration was filed.

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