

SENATE BILL NO. 81

INTRODUCED BY J. KASSMIER

BY REQUEST OF THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR THE LEASE OF STATE LANDS FOR UNDERGROUND STORAGE OF GAS OR LIQUIFIED GAS; DEFINING "GAS OR LIQUIFIED GAS"; PROVIDING RULEMAKING AUTHORITY; AND AMENDING SECTIONS 77-3-501, 77-3-502, 77-3-505, AND 77-3-507, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 77-3-501, MCA, is amended to read:

"77-3-501. Lease for underground storage of natural gas or liquified gas authorized --

definition. (1) ~~The Subject to the Enabling Act, constitutional restrictions, and state law, the board is hereby~~ authorized and empowered to lease, in such a manner and upon such on the terms as it may determine, not inconsistent with ~~The Enabling Act and the constitution,~~ state lands to which the title has vested in the state, subject to existing rights, for use for the underground storage of ~~natural gas~~ gas or liquified gas, as defined in subsection (3), upon the prescribed terms and conditions ~~herein prescribed,~~ to any ~~natural gas~~ public utility authorized to do business in this state and engaged in the business of transporting or distributing natural gas by means of pipelines into, within, or through this state for ultimate public use person or government agency qualified to engage in these activities pursuant to 82-11-181 through 82-11-184.

(2) State lands ~~which that~~ may be leased ~~shall include lands in which that have the capability to~~ store gas or liquified gas, or when the deposit of native gas shall have been is depleted, provided the lessee pays to the state the amount specified by the board for the native gas then remaining in the lands to be leased.

(3) As used in this chapter, "gas or liquified gas" means all natural gases, carbon dioxide, methane, nitrous oxide, fluorinated gases, other gaseous hydrocarbons, or the liquified state of these gases."

Section 2. Section 77-3-502, MCA, is amended to read:

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