

Testimony of Lisa Von Bargen - Valdez
House Finance Committee – House Bill 4
March 26, 2013

Unable to testify in person due to early closure of public hearing.

Members of the Committee, thank you for this opportunity to provide public input. I respectfully request, in the best interest of the future of Alaska, you **VOTE NO on HOUSE BILL 4** for a number of reasons:

First, under ideal conditions ASAP will not be online until 2019. It does **not** provide the short term energy solution for the Interior and Cook Inlet. It also does nothing to help Alaskans outside of the proposed pipeline route. And, it will raise the cost of energy in Southcentral Alaska.

Second, ASAP will not carry liquids. Contrary to what AGDC staff is stating in public meetings, NGL's have incredible value to the state in terms of creating value-added industries and legacy jobs. ASAP completely eliminates these opportunities. The Mat-Su Borough recently passed a resolution in support of HB4 but only if the liquids were put back in the project.

Third, ASAP does not provide any revenue to the State. Members of the Legislature were given a presentation in early February outlining the looming fiscal cliff for the State, likely just eight years away under current conditions. We cannot afford a project with no long term revenue.

Fourth, Constituents are being wrongly told that ASAP is the only project moving forward. This is not correct. APP is moving forward under the AGIA process and has had two successful open seasons – one just last year. That open season resulted in interest from the Asian market for more than twice the amount necessary for a viable project. Why would we spend \$400 Million more dollars to get information we have already paid \$300 million to get on an existing project?

Fifth, we are being told HB4 will work in conjunction with AGIA. Why should the public have any confidence that this will work in conjunction with AGIA given the aggressive and public discrediting of that process by the same people pushing ASAP?

Sixth, House Bill 4 creates a “secret” process under which there will be no public accountability for anyone or anything associated with the project. This is an unacceptable situation.

If ASAP does not solve short term needs, or long term needs, why are we considering this? There is a project that gives us everything we need for Alaskans and for export – a large volume line to tidewater.

A fundamental point that needs to be made is that both import and trucking can last for as long as we reasonably need them to. They may be short-term solutions, but they can be mid-range solutions as well. Gas on North Slope isn't going to run out for trucking project. Outside LNG is not going to run out for import purposes. So let's keep these going for pennies on the ASAP dollar while we wait for the large volume line.

Finally, Valdez is being made out as a greedy villain with only self-interest at heart. Valdez would be foolish to not fight for its economic future. However, the truth is that this is not about the destination of the line. **It is about the right project for all Alaskans.** If the large volume line to tidewater is built, no matter where it terminates, Valdez will happily celebrate with the rest of the state because our community will also benefit substantially (albeit disappointed we are not the terminus).

We know only one line will be built – make it the right one that will benefit all Alaskans for generations to come. Please **VOTE NO on HOUSE BILL 4.** Thank you for your time and consideration of my testimony.



Alaska State Legislature

Please enter into the record my testimony to the House Finance
(committee name)
committee on HB 4, dated 3/26/2013
(bill # / subject)

I have two concerns with House Bill #4.

- 1) The entire process must be open to public review if State funding is to be used.
- 2) A smaller pipeline that services only a portion of Alaska is short sighted, and gives the appearance of "giving up" on a pipeline and LNG facility that will have benefit to the entire State of Alaska.

Signed: Dean Day
Testifier

Representing (optional)

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