

Introduced By: Mayor Jerry Cleworth  
Date: February 4, 2013

**RESOLUTION NO. 4560**

**A RESOLUTION IN SUPPORT OF THE ALASKA STAND ALONE PIPELINE  
FROM THE NORTH SLOPE TO SOUTHCENTRAL ALASKA**

**WHEREAS**, the extremely high cost of energy for residents and businesses in the interior of Alaska is well known; and

**WHEREAS**, trucking LNG from the North Slope to the interior is a vital short-term solution; and

**WHEREAS**, there is a critical need for a long-term solution that provides clean affordable gas to the interior; and

**WHEREAS**, the Alaska Gasline Development Corporation (AGDC) has created the Alaska Stand Alone Pipeline (ASAP) and has done much of the preliminary work required before going to Open Season; and

**WHEREAS**, production of Cook Inlet gas reserves is uncertain and currently insufficient to provide long-term supply guarantees,

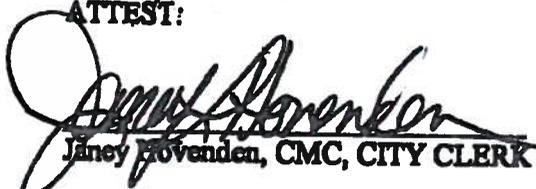
**NOW, THEREFORE, BE IT RESOLVED** that the City of Fairbanks supports legislation that continues the ASAP project as it will add a long overdue critical component to our state's infrastructure needs and will utilize an important resource to greatly reduce energy costs and help make Alaska competitive.

**PASSED and APPROVED** this 4th day of February 2013.

  
\_\_\_\_\_  
**JERRY CLEWORTH, MAYOR**

<b>AYES:</b>	Gatewood, Walley, Eberhart, Staley, Hilling
<b>NAYS:</b>	None
<b>ABSENT:</b>	Matherly
<b>APPROVED:</b>	February 04, 2013

**ATTEST:**

  
\_\_\_\_\_  
Jancy Evenden, CMC, CITY CLERK

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Paul J. Ewers, CITY ATTORNEY



Suggested by: Councilor Navarre

**CITY OF KENAI**

**RESOLUTION NO. 2013-02**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, SUPPORTING LEGISLATIVE EFFORTS TO CONSTRUCT A NATURAL GAS PIPELINE FROM THE NORTH SLOPE TO SOUTH CENTRAL ALASKA.**

**WHEREAS, the development of an in-state natural gas pipeline is in the best interest of the State of Alaska; and,**

**WHEREAS, known reserves in the Cook Inlet Basin are insufficient to supply the demand for natural gas in South Central Alaska in the future; and,**

**WHEREAS, the City of Kenai continues to support an Alaska North Slope natural gas pipeline and appreciates the Legislature's actions in creating the Alaska Gasline Development Corporation (AGDC) which in turn has created the Alaska Stand Alone Gas Pipeline (ASAP); and,**

**WHEREAS, an Alaska natural gas pipeline project will provide a long-term affordable, clean energy solution for the majority of Alaskans and Alaska businesses; and**

**WHEREAS, House Bill 4 includes many of the necessary provisions and solutions to forward a successful Alaska natural gas pipeline project.**

**NOW, THEREFORE, BE IT RESOLVED, THE COUNCIL OF THE CITY OF KENAI, ALASKA, supports Legislative efforts to fund AGDC as they move forward in developing a project to construct a natural gas pipeline from the North Slope to South Central Alaska.**

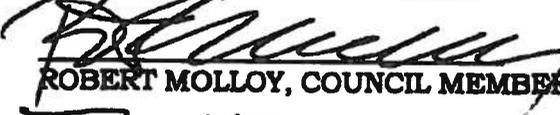
**PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 16th day of January, 2013.**

  
PAT PORTER, MAYOR

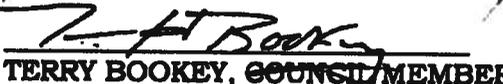
  
RYAN MARQUIS, VICE MAYOR

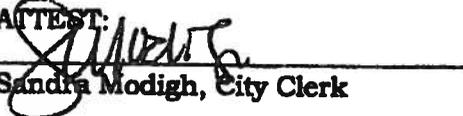
  
MIKE BOYLE, COUNCIL MEMBER

  
TIM NAVARRE, COUNCIL MEMBER

  
ROBERT MOLLOY, COUNCIL MEMBER

  
BRIAN GABRIEL, COUNCIL MEMBER

  
TERRY BOOKEY, COUNCIL MEMBER

ATTEST:  
  
Sandra Modigh, City Clerk

**North Slope Borough**  
**OFFICE OF THE MAYOR**

**P.O. Box 69  
Barrow, Alaska 99723  
Phone: 907 852-2611 or 0200  
Fax: 907 852-0337 or 2595**



**Charlotte E. Brower, Mayor**

**February 28, 2013**

**The Honorable Mike Hawker  
Alaska House of Representatives  
State Capitol Building  
Juneau, Alaska 99811**

**Subject: Support for House Bill 4**

**Dear Representative Hawker:**

**On behalf of the office of Mayor of the North Slope Borough, please convey my support to your colleagues for the passage of HB4- development of an in-state natural gas pipeline.**

**The North Slope Borough is comprised of villages who understand the burden of high energy costs. All across Alaska, the issue is becoming more and more of a concern for both urban and rural communities. Both you and Speaker Chenault should be commended for your efforts to connect the natural gas supply here on the North Slope with as many Alaskans as possible.**

**Development of a natural gas pipeline is something that has waited for many years. The North Slope Borough is willing to work with the Governor and the Legislature towards solving whatever issues may stand in our way. We must work together if we are to accomplish anything.**

**The North Slope Borough believes the benefits of an in-state natural gas pipeline built by AGDC include:**

- Increased access to affordable, clean, and secure energy along the pipeline corridor for both urban and rural communities**
- Greater economic development opportunities across the state, including community and industrial development during and after construction**
- Expanded property tax base (post-construction) for communities along the route, due to infrastructure development and activity**

**As the Legislature works on the issue of developing the natural gas resources here on the North Slope, please continue to recognize the needs of all communities and respect the concerns of Alaskan residents in cities and villages who need access to affordable energy and jobs.**

**Please let me know if my staff or I can provide you with assistance in moving this project forward.**

**Sincerely,**



**Charlotte E. Brower  
Mayor, North Slope Borough**

**CITY OF NORTH POLE**

**RESOLUTION 13-01**

**A RESOLUTION SUPPORTING LEGISLATIVE EFFORTS TO CONSTRUCT A  
NATURAL GAS PIPELINE FROM THE NORTH SLOPE TO SOUTH CENTRAL  
ALASKA.**

**WHEREAS**, the development of an in-state gas pipeline would provide stable and affordable gas for Alaskans for many years; and

**WHEREAS**, known reserves in the Cook Inlet Basin are insufficient to supply the demand for natural gas in South Central Alaska in the future; and

**WHEREAS**, many Interior and Rural Alaskan communities are suffering from extremely high energy cost; and

**WHEREAS**, development of vibrant local and statewide economies are dependent on affordable energy; and

**WHEREAS**, Alaskans wish to leave a legacy of prosperity through development of our natural resources to the maximum benefit for the most Alaskans; and

**WHEREAS**, Alaska Gasline Development Corporation (AGDC) has created the Alaska Stand Alone Gas Pipeline (ASAP) and is seeking monies to bring a instate gas-line to open season; and ultimately to fruition; and

**WHEREAS**, House Bill 4 includes the necessary provisions to advance a successful Alaska natural gas pipeline project.

**NOW, THEREFORE, BE IT RESOLVED** that the North Pole City Council supports legislative efforts to fund AGDC as they move forward in developing and advancing a project to construct a natural gas pipeline from the North Slope to South Central Alaska.

**PASSED AND APPROVED** by a duly constituted quorum of the North Pole City Council this 4<sup>th</sup> day of February, 2013



Bryce J Ward, Mayor

**ATTEST:**



Kathryn M. Weber, MMC  
North Pole City Clerk

**PASSED**

Yes: Nelson, McGhee, Holm, Smith, Sikma, Ward

No: 0

Absent: Hunter



**City of Nenana  
Resolution 2013-03**

**A Resolution Supporting the Legislative Efforts to Construct a Natural Gas Pipeline From the North Slope to South Central Alaska**

**Whereas the development of an in-state gas pipeline is in the best interest of the State of Alaska, AND**

**Whereas known reserves in Cook Inlet are insufficient to supply the demand for natural gas in South Central Alaska in the future, AND**

**Whereas the Interior area of Alaska is in dire need of a means to lower energy costs in both short and long terms, AND**

**Whereas an Alaska natural gas pipeline project will provide a long-term affordable and clean energy solution for the majority of Alaskans and Alaskan businesses, AND**

**Whereas House Bill 4 includes the necessary provisions and solutions to forward a successful Alaska natural gas pipeline project.**

**Therefore be it resolved that the Nenana Assembly supports Legislative efforts to fund AGDC in order to continue moving forward developing a project to construct a natural gas pipeline.**

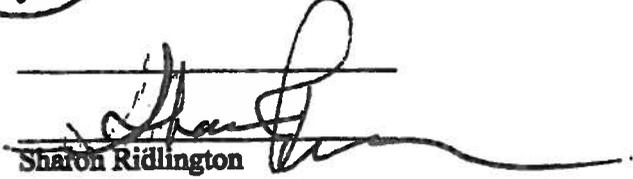
Adopted by a duly constituted quorum of the Municipal Assembly on the 14 day of February 2013

**MUNICIPALITY OF NENANA**

  
\_\_\_\_\_  
Jason P. Maynard, Mayor

ADOPTED:

ATTEST:

  
\_\_\_\_\_  
Sharon Ridlington

Amended: 02/19/13  
Adopted: 02/19/13

**MATANUSKA-SUSITNA BOROUGH  
RESOLUTION SERIAL NO. 13-030**

**A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY SUPPORTING A GASLINE PROJECT FROM THE NORTH SLOPE THAT PROVIDES FOR A LARGE DIAMETER PIPELINE TO FAIRBANKS WITH EXPORT CAPACITY AND IS DESIGNED FOR SMALLER FEEDER GASLINES TO SERVE ALASKAN COMMUNITIES DEVELOPED BY THE ALASKA GASLINE DEVELOPMENT CORPORATION.**

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WHEREAS, available supplies of natural gas in Southcentral Alaska are forecast to be inadequate to meet demand in the near future; and

WHEREAS, interior Alaska and Rural Alaska would benefit from an in-state pipeline as proposed in House Bill (HB) 4 with a reliable and cheaper energy; and

WHEREAS, reliable and affordable energy supplies are critically important to Alaska residents and are vitally needed to grow our economy and provide energy for resource development; and

WHEREAS, HB 4, which empowers the Alaska Gasline Development Corporation (AGDC) to further advance an in-state gas pipeline; and

WHEREAS, the best case for Alaska is a large capacity line serving both in-state and export (lower 48) markets, HB 4 allows the AGDC to participate in a large diameter gas line project; and

WHEREAS, the retention of gas liquids in an in-state pipeline will provide for a larger economic spinoff by creating the opportunity for a manufacturing industry at Port McKenzie; and

WHEREAS, it is in the best interest of the State to include the gas liquids within the transported gas for the in-state pipeline project; and

NOW, THEREFORE, BE IT RESOLVED, that the Matanuska-Susitna Borough Assembly supports legislation to move the Alaska Stand Alone Pipeline forward, with amendments to require retention of the gas liquids.

BE IT FURTHER RESOLVED, that the Matanuska-Susitna Borough Assembly also supports a large diameter gasline project and supports integration of the projects to deliver gas for in-state needs as well as for export.

ADOPTED by the Matanuska-Susitna Borough Assembly this 19 day of February, 2013.

  
LARRY DEVILBISS, Borough Mayor

ATTEST:

  
LONNIE R. MCKECHNIE, CMC, Borough Clerk

(SEAL)

PASSED UNANIMOUSLY: Keogh, Woods, Arvin, Colligan, Salmon,  
Colver, and Halter

Introduced by:

Mayor

Date:

03/19/13

Action:

Adopted as Amended

Vote:

6 Yes, 0 No, 3 Absent

**KENAI PENINSULA BOROUGH  
RESOLUTION 2013-018**

**A RESOLUTION SUPPORTING LEGISLATIVE EFFORTS TO FUND  
CONSTRUCTION OF A NATURAL GAS PIPELINE FROM THE NORTH SLOPE TO  
SOUTH CENTRAL ALASKA**

**WHEREAS,** known reserves in the Cook Inlet Basin are insufficient to supply the demand for natural gas in South Central Alaska in the future; and

**WHEREAS,** the available gas supply does not meet regional energy needs, compelling a decision by ConocoPhillips Alaska to not apply for an extension of its federal export license and to reduce the Nikiski LNG plant to stand-by mode; and

**WHEREAS,** an Alaska natural gas pipeline project may provide a long-term affordable energy solution for the majority of Kenai Peninsula Borough and South Central Alaska residents and businesses; and

**WHEREAS,** as part of an overall Alaska energy plan, an Alaska natural gas pipeline project will help address the energy needs of all Alaskans; and

**WHEREAS,** the Kenai Peninsula Borough appreciates Legislative action in creating the Alaska Gasline Development Corporation (AGDC), which in turn created the Alaska Stand Alone Gas Pipeline (ASAP); and

**WHEREAS,** House Bill 4 includes some of the necessary provisions and solutions to advance a successful Alaska natural gas pipeline project;

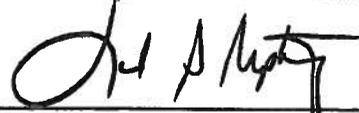
**NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:**

**SECTION 1.** That the Kenai Peninsula Borough Assembly supports Legislative efforts to fund the AGDC as it moves forward in developing a responsible and economically viable project to construct a natural gas pipeline from the North Slope to South Central Alaska.

**SECTION 2.** That copies of this resolution be forwarded to the Borough's Legislative delegation.

**SECTION 3.** That this resolution takes effect immediately upon its adoption.

**ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS  
19TH DAY OF MARCH, 2013.**



\_\_\_\_\_  
Linda Murphy, Assembly President

ATTEST:



\_\_\_\_\_  
Johni Blankenship, MMC, Borough Clerk

Yes: Haggerty, Johnson, Pierce, Smith, Wolf, Smalley  
No: None  
Absent: McClure, Murphy, Tauriainen

Sponsored by: Hunt

**CITY OF SEWARD, ALASKA  
RESOLUTION 2013-008**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD,  
ALASKA, SUPPORTING LEGISLATIVE EFFORTS TO CONSTRUCT A  
NATURAL GAS PIPELINE FROM THE NORTH SLOPE TO SOUTH-  
CENTRAL ALASKA**

**WHEREAS**, the electricity produced by Chugach Electric and purchased by the Seward Electric Utility is primarily produced from plants fueled by natural gas; and

**WHEREAS**, the gas used for power production comes exclusively from the Cook Inlet basin; and

**WHEREAS**, Chugach, other power producers, and ENSTAR currently consume all of the gas produced in Cook Inlet and are expected to face supply shortage; and

**WHEREAS**, recent exploration resulting in added gas production and the Cook Inlet Natural Gas Storage facility have postponed the projected shortfall until 2015; and

**WHEREAS**, options for mitigating the projected shortfall are new hydro or other alternative facilities producing sufficient volume, imported liquefied or compressed gas, or gas from the North Slope; and

**WHEREAS**, Speaker Chenault and Representative Hawker have sponsored House Bill 4, which supports the Alaska Gasline Development Corporation's (AGDC) pipeline project; and

**WHEREAS**, the bill provides the necessary structure, changes to existing statute, and direction to move forward a natural gas pipeline for instate use whether as a stand-alone project or in conjunction with the producers and Trans-Canada in a larger project; and

**WHEREAS**, of all the options presented to date, the instate gas supply from the North Slope has the best potential for the earliest positive impact on the cost of electric power to Seward residents and businesses in the near term, and the possibility of gas delivery for local use in the longer term; and

**WHEREAS**, the bill, as introduced, includes the necessary provisions and solutions to forward a successful Alaska natural gas pipeline project that best benefits Seward and all the Railbelt utilities.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA that:**

**CITY OF SEWARD, ALASKA  
RESOLUTION 2013-008**

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**Section 1.** The City Council of the City of Seward supports House Bill 4 as introduced and Legislative efforts to fund AGDC as they move forward in developing a project to construct a natural gas pipeline from the North Slope to South-Central Alaska.

**Section 2.** That a copy of this Resolution be sent to Speaker Mike Chenault, Senator Cathy Giesel, and Representative Mike Hawker.

**Section 3.** This resolution shall take effect immediately.

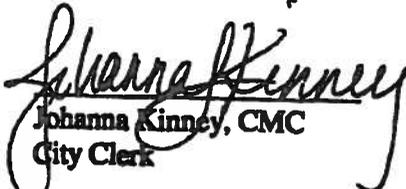
**PASSED AND APPROVED** by the City Council of the City of Seward, Alaska, this 28<sup>th</sup> day of January 2013.

**THE CITY OF SEWARD, ALASKA**

  
\_\_\_\_\_  
**David Seaward, Mayor**

**AYES:** Bardarson, Terry, Casagrande, Keil, Valdatta, Shafer, Mayor Seaward  
**NOES:** None  
**ABSENT:** None  
**ABSTAIN:** None

**ATTEST:**

  
**Johanna Kinney, CMC**  
City Clerk

(City Seal)



# Council Agenda Statement



**Meeting Date:** January 28, 2013  
**Through:** City Manager Jim Hunt  
**From:** Community Development Director Ron Long  
**Agenda Item:** Supporting Legislative Efforts to Construct a Natural Gas Pipeline from the North Slope to South-central Alaska

**BACKGROUND & JUSTIFICATION:**

Administration respectfully requests Council support for this resolution as part of the City's effort to maintain affordable energy costs for local residents and business through power sales by the Electric Utility in the near term and potential availability of natural gas to Seward in the longer term.

The City supported various measures designed to fund and maintain critical infrastructure and cost control measures for the delivery of electricity along the rail belt and to Seward, including transmission lines and the City's participation in Alaska Energy Authority measures and in The Alaska Railbelt Cooperative Transmission and Electric Company (ARCTEC).

Speaker Chenault and Representative Hawker have introduced House Bill 4 to provide the necessary structure, changes to existing statute, and direction to move forward a natural gas pipeline. South-central's present and projected future consumption of natural gas used for electric generation and for heating exceeds known natural gas reserves in the Cook Inlet basin and it is imperative that sufficient quantities of gas remain available. Exploration in the basin is not forecasted to yield sufficient gas to avoid a shortfall, now projected for 2015, and the only near term sources for replacement gas are via import. Utility rates would skyrocket under this scenario.

Seward's primary interest in this project is to ensure Chugach Electric and other ARCTEC members have sufficient contract gas to provide affordable power into the future. Once the power generation picture for south-central is stabilized, we would want to pursue pipeline delivery of burner tip gas to Seward.

**INTENT:** Support Legislative Efforts to Construct a Natural Gas Pipeline from the North Slope to South-central Alaska

<b><u>CONSISTENCY CHECKLIST:</u></b>		Yes	No	N/A
1.	Comprehensive Plan ( <i>document source here</i> ): Section 3.1, Economic Development and 3.9 Quality of Life.	x		
2.	Strategic Plan ( <i>document source here</i> ): Page 2, city mission. Page 3 vision. Page 5, economic base. Page 7, Reduce Energy Costs, and throughout	x		
3.	Other ( <i>list</i> ):			x

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**FISCAL NOTE:** This is a resolution of support that has no fiscal impact.

Approved by Finance Department: Heater Archinger

**ATTORNEY REVIEW:** Yes \_\_\_\_\_ No X

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**RECOMMENDATION:** Council approve Resolution 2013-000 supporting Legislative Efforts to Construct a Natural Gas Pipeline from the North Slope to South-central Alaska.

**RESOLUTION  
OF  
MAYOR SULLIVAN'S ENERGY TASK FORCE**

WHEREAS, natural gas produced in Cook Inlet is now and has been for decades, the predominant source of energy for the generation of electricity and for the heating the homes and businesses in Southcentral Alaska; and

WHEREAS, there are no viable options for heating homes and businesses other than natural gas given the regions long term dependence on that source for heating; and

WHEREAS, because of a critical shortfall of natural gas supply and deliverability in Cook Inlet which developed in the decade prior to his election, upon taking office in July 2010, Anchorage Mayor Dan Sullivan appointed an Energy Task Force consisting of knowledgeable individuals whose responsibilities are to review the energy situation in South Central Alaska and to make recommendations to the Mayor as to actions that the Municipality of Anchorage might take or might recommend that would reduce and/or eliminate the risks of an energy emergency in the Municipality of Anchorage and the region; and

WHEREAS, the Mayor's Energy Task Force has met regularly over the last four (4) years to review and discuss the energy situation and energy solution for Southcentral Alaska and the Railbelt;

WHEREAS, as a result of recommendations made by the Task Force to the Mayor and the actions the Mayor has taken as a result of those recommendations, the potential for an energy crisis in the near term has been substantially reduced and numerous activities such as emergency preparedness, the development of a storage facility for natural gas (CINGSA), additional drilling for natural gas in the Cook Inlet basin has begun and long term cooperative planning efforts by the utilities in the area have be ongoing; and

WHEREAS, despite these actions, there still exists a very real and significant energy supply and deliverability shortage in the intermediate term with the area utility companies not having supply contracts signed with the producers to provide for the needs of the utilities; and

WHEREAS, various options are under consideration by the area utilities to meet their needs for natural gas in the intermediate term including the importation of liquefied natural gas, importation of compressed natural gas and/or natural gas trucked from the north slope; and

WHEREAS, one potential solution to the energy needs of the Railbelt and Southcentral Alaska is a pipeline from the North Slope to tidewater in Cook Inlet which could be built and operational by 2020, thus meeting the long term needs for natural gas in Southcentral Alaska and the Railbelt; and

WHEREAS, House Bill 4 provides, among other things, for continued funding for this proposed pipeline as well as for other matters relating to the development and construction of a pipeline from the North Slope to tidewater; and

WHEREAS, the Mayor of Anchorage and his Energy Task Force are not in a position to evaluate all of the provisions of House Bill 4, but are in a position to advocate for the continued evaluation and planning for the possible development of the pipeline envisioned by the Bill so that if it is determined that this pipeline is the best option for energy for the Railbelt and Southcentral Alaska, construction can begin as soon as that determination is made; and

NOW THEREFORE, AFTER REVIEW AND DISCUSSION, IT IS HEREBY RESOLVED, as follows:

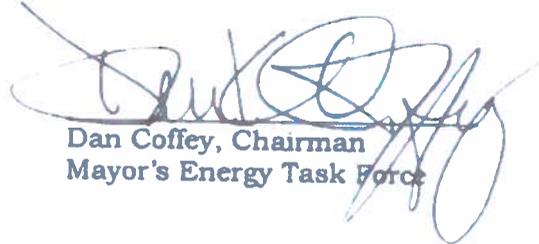
1) The Mayor's Energy Task Force support the continuation of sufficient funding that will result in the opportunity to construct the pipeline in as short a time frame as possible should this be determined to be the best option for the residents of Southcentral Alaska and the Railbelt.

2) Mayor Dan Sullivan and the Mayor's Energy Task Force support a full, fair and extensive evaluation of the other provisions of the Bill by both the House and the Senate so that, to the degree these provisions are appropriate and necessary to the continued development of the pipeline, they are incorporated into the legislation so as not to delay or impede the ultimate decision as to the development or the abandonment of this pipeline.

DATED at Anchorage, Alaska this 14<sup>th</sup> day of March 2013.



Dan Sullivan  
Mayor of Anchorage



Dan Coffey, Chairman  
Mayor's Energy Task Force

**CITY OF HOMER  
HOMER, ALASKA**

**Mayor**

**RESOLUTION 13-027**

**A RESOLUTION OF THE CITY COUNCIL OF HOMER,  
ALASKA, EXPRESSING SUPPORT FOR HB 4, LEGISLATIVE  
EFFORTS TO CONSTRUCT A NATURAL GAS PIPELINE  
FROM THE NORTH SLOPE TO SOUTH CENTRAL ALASKA.**

**WHEREAS, The City of Homer will be receiving access to natural gas for the first time  
in 2013 with the construction of a natural gas trunk line into the community; and**

**WHEREAS, Known reserves in the Cook Inlet Basin are insufficient to supply the future  
demand for natural gas in South Central Alaska; and**

**WHEREAS, A stable supply of energy is key to the economic future of the entire South  
Central region; and**

**WHEREAS, There is a critical need for a long-term solution that provides affordable  
energy throughout the Railbelt; and**

**WHEREAS, HB 4 empowers the Alaska Gasline Development Corporation (AGDC) to  
further advance an in-state gas pipeline.**

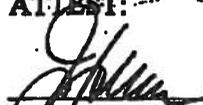
**NOW, THEREFORE, BE IT RESOLVED that the City of Homer supports legislative  
efforts to construct a natural gas pipeline from the North Slope to South Central Alaska.**

**PASSED AND ADOPTED by the Homer City Council this 11th day of March, 2013.**

**CITY OF HOMER**

  
**MARY E. WYPHE, MAYOR**

**ATTEST:**

  
**JO JOHNSON, CMC, CITY CLERK**

**Fiscal Note: N/A**



**Kenai Chamber of Commerce and Visitor Center  
Resolution 2013-01  
SUPPORTING LEGISLATIVE EFFORTS TO CONSTRUCT A  
NATURAL GAS PIPE LINE FROM THE NORTH SLOPE TO  
SOUTH CENTRAL ALASKA**

**WHEREAS, it is the mission of the Kenai Chamber of Commerce and Visitor Center (KCCVC) to promote economic development, stimulate job growth, provide initiatives to promote local businesses, and foster positive relations between business and community for the benefit of Kenai; and**

**WHEREAS, KCCVC represents nearly 460 business throughout the community of Kenai by continually seeking to improve the business climate and ensure a healthy economy for future generations; and**

**WHEREAS, the development of an in-state natural gas pipeline is the in the best interest of the State of Alaska; and,**

**WHEREAS, known reserves in the Cook Inlet Basin are insufficient to supply the demand for natural gas in South Central Alaska in the future; and**

**WHEREAS, KCCVC continues to support an Alaska North Slope natural gas pipeline and appreciated the Legislature's actions in creating the Alaska Gasline Development Corporation (AGDC) which in turn has created the Alaska Stand Alone Gas Pipeline (ASAP); and,**

**WHEREAS, an Alaska natural gas pipeline project will provide a long-term affordable, clean energy solution for the Majority of Alaskans and Alaska businesses; and**

**WHEREAS, House Bill 4 includes many of the necessary provisions and solutions to forward a successful Alaska natural gas pipeline project.**

**THEREFORE, BE IT RESOLVED, THE KENAI CHAMBER OF COMMERCE AND VISITOR CENTER supports Legislative efforts to fund AGDC as they move forward in developing a project to construct a natural gas pipeline from the North Slope to South Central Alaska.**

Board President:   
Kenai Chamber of Commerce and Visitor Center      Brendyn Shiflea

Date: 3-7-13

Board Secretary:   
Kenai Chamber of Commerce and Visitor Center      Penny Furnish

Date: 3-7-13



# BIG LAKE

## CHAMBER OF COMMERCE

*"Alaska's Year-Round Playground"*

**Big Lake**

### Big Lake Chamber of Commerce RESOLUTION 2013-2

**A Resolution Supporting the Legislative Efforts to Construct a Natural Gas Pipeline From the North Slope to South Central Alaska**

Whereas, the development of an in-state gas pipeline is in the best interest of the state of Alaska; and

Whereas, known reserves in Cook Inlet are insufficient to supply the demand for natural gas in south-central Alaska in the future; and

Whereas, many Interior and Rural Alaskan communities are in dire need of a means to lower energy costs in both short and long terms; and

Whereas, development of vibrant local and statewide economies are dependant on affordable energy; and

Whereas, in Alaska natural gas pipeline project will provide a long-term affordable and clean energy solution for the majority of Alaskans and Alaska businesses; and

Whereas, House Bill 4 includes the necessary provisions and solutions to advance a successful Alaska natural gas pipeline project

NOW, THEREFORE, BE IT RESOLVED that the Big Lake Chamber of Commerce supports legislation efforts to fund Alaska Gasline Development Corporation in order to continue moving forward developing a project to construct a natural gas pipeline.

PASSED AND APPROVED by a duly constituted quorum of the Big Lake Chamber of Commerce this 20<sup>th</sup> day of March, 2013

Ina Mueller  
Ina Mueller, President, Big Lake Chamber of Commerce

ATTEST: Janice [Signature] Treasurer, 808 3/20/13



## Interior Alaska – The “Place” To Do Business

100 Cushman St., Suite 102 | Fairbanks, Alaska 99701-4665  
ph (907) 452-1105 | fax (907) 456-6968 | www.FairbanksChamber.org

March 12, 2013

Representative Mike Chenault  
Alaska State Capitol Building  
Room 208  
Juneau, AK 99801-1182

Representative Mike Hawker  
Alaska State Capitol Building  
Room 502  
Juneau, AK 99801-1182

### RE: Letter of Support for House Bill 4: In-State Gasline Development Corp

Dear Representatives Chenault and Hawker:

The Greater Fairbanks Chamber of Commerce appreciates the support and interest shown in Alaska’s energy crisis through your efforts to bring natural gas from the North Slope to the citizens of Alaska. Reducing the high cost of energy in the Interior is the Fairbanks Chamber’s top priority this legislative session. Your participation in the teleconference regarding House Bill 4 with our Energy Committee was welcomed, informative to the members, and encouraging for the future.

The Chamber supported the Alaska Stand Alone Pipeline Project (ASAP) and HB 9 last legislative session. The bullet line remains one of the Chamber’s mid-term priority projects for reducing the cost of energy in the Interior. Trucking of liquefied natural gas remains the top priority of the entire community, primarily due to lower capital costs and more immediate delivery schedules. It is also accepted that the best way to transport gas over the long-term may be to transition from trucking to a pipeline.

The progress on the ASAP line, including preliminary design, environmental, permitting, and right-of-way (ROW) work places it far ahead of any other in-state pipeline options. The entity created by HB 4 could also serve as a catalyst and/or partner for other gas line solutions. The Chamber is supportive of your efforts with HB 4 and of the ASAP project.

Please accept this letter of support from the Chamber for passage of HB 4 this session. We are supportive of the funding necessary to bring the ASAP line to open season as a companion to, but not as a substitute for, the funding necessary to bring trucked LNG to the Interior.

#### INVESTORS

##### DIAMOND

BP Exploration  
ConocoPhillips  
ExxonMobil  
Fairbanks Daily News-Miner  
Fairbanks Memorial Hospital & Denali Center  
Flint Hills Resources Alaska  
Mt McKinley Bank  
Santina’s Flowers & Gifts

##### PLATINUM

Alyaska Pipeline Service Co  
Doyon, Limited  
Fred Meyer Stores  
Golden Heart Utilities  
Wells Fargo Bank Alaska

##### GOLD

Alaska Railroad  
Birchwood Homes  
Carlson Center  
Denali State Bank  
Design Alaska  
Doyon Utilities LLC  
First National Bank Alaska  
Kinross Fort Knox Mine  
Lynden  
MAC Federal Credit Union  
Northrim Bank  
Sumitomo Metal Mining Pogo LLC  
Usibell Coal Mine

##### SILVER

ACS  
Alaska Airlines  
Alaska USA  
Dr. Chnstopher Henry – Henry Orthodontics  
Everts Air Cargo, Everts Air AK  
Exclusive Paving/Univ. Redi-Mix  
Fairbanks Natural Gas  
Flowline Alaska  
GCI  
General Teamsters Local 959  
GVEA  
Hale & Associates, Inc.  
JL Properties, Inc.  
Key Bank  
Personnel Plus  
Sam’s Club  
Shell Exploration & Production Co  
Spirit of Alaska FCU  
Tanana Valley Clinic  
TDL Staffing  
Totem Ocean Trailer Express, Inc  
Tower Hill Mines-Livengood Gold Project  
University of Alaska Fairbanks  
Venzon Wireless  
WAL-MART Stores, Inc  
Yukon Title Company

**We thank you for your leadership on this critical issue facing our community.**

**Sincerely,**



**Lisa Herbert  
Executive Director**



**Terri Froese  
Board of Directors, Chair**



**Bob Shefchik  
Energy Committee, Chair**



**Anna Atchison  
Government Relations Committee, Chair**

**cc: Governor Sean Parnell  
Mike Nizich, Governor's Chief of Staff  
U.S. Senator Lisa Murkowski  
U.S. Senator Mark Begich  
U.S. Representative Don Young  
Dan Sullivan, Commissioner of Natural Resources  
Joe Balash, Deputy Commissioner of Natural Resources  
Interior Delegation  
Alaska State Legislature  
Alaska Gasline Development Corporation  
Alaska State Chamber of Commerce  
Fairbanks Daily News-Miner  
Membership of the Greater Fairbanks Chamber of Commerce**



**Copper Valley Development Association, Inc.**

P.O. Box 9, Glennallen, AK 99588 \* 907-822-5001 phone \* 888-256-5569 fax  
[www.coppervalley.org](http://www.coppervalley.org) \* [info@coppervalley.org](mailto:info@coppervalley.org)

February 19, 2013

**Representative Mike Hawker**  
State Capitol, Room 502  
Juneau, Alaska 99801

**RE: HB 4 Support**

**Representative Hawker,**

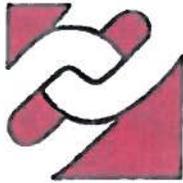
I would like to offer support from Copper Valley Development Association, the regional ARDOR with Department of Commerce, Community and Economic Development for House Bill 4. This bill provides framework for the Alaska Gasline Development Corporation (AGDC) and a natural gas distribution system and affiliated infrastructure within the state of Alaska. These facilities will make it feasible to deliver liquefied natural gas from the North Slope to the Interior, and will allow for a wider distribution of gas and propane elsewhere in the state. House Bill 4 will help reduce the high cost of energy, bring gas to the interior, raise the number and quality of economic development projects in the state, and increase the number of jobs available to Alaskans. The establishment of this is the first step in a series of incremental steps necessary to alleviate the high cost of energy in rural Alaska, and broaden the possibilities for this region. In order for our great state to move forward, we need measures such as HB 4 to occur.

Thank you very much for your attention to this Representative, and please feel free to contact me for additional information.

Sincerely,



**Jason Hoke,**  
Executive Director



# **THE ALLIANCE**

**...for responsible development of Alaska's Oil, Gas & Mineral Resources**

## **Resolution 02-13**

**WHEREAS, the Alaska Support Industry Alliance was established in 1979; and**

**WHEREAS, the Alliance represents more than 500 businesses who employ more than 35,000 workers in the State of Alaska; and**

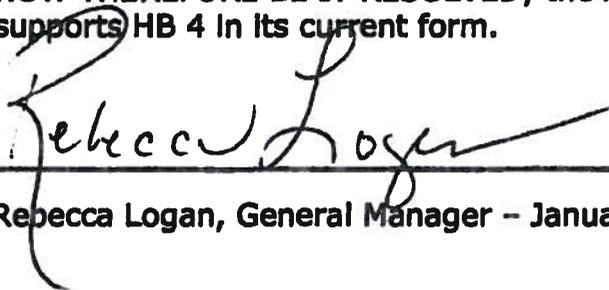
**WHEREAS, the Alliance mission statement is to promote responsible exploration, development and production of oil, gas and mineral resources for the benefit of all Alaskans; and**

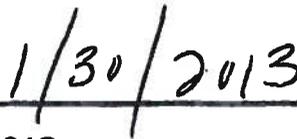
**WHEREAS, the Alaska Stand Alone Pipeline (ASAP) is an opportunity to develop and produce Alaska's natural gas resources for the benefit of all Alaskans; and**

**WHEREAS, the ASAP project utilizes a risk-based, phased and gated methodology which employs a disciplined approach towards project development and allows for appropriately timed exits to ensure accountability and fiscal responsibility, and**

**WHEREAS, House Bill 4 makes the Alaska Gas Line Development Corporation an independent public corporation of the state, with the correct authority, autonomy, and responsibility to execute the legislative priority of bringing affordable natural gas to Alaskans.,**

**NOW THEREFORE BE IT RESOLVED; the Alaska Support Industry Alliance supports HB 4 in its current form.**





**Rebecca Logan, General Manager - January 30, 2013**



**ALASKA MINERS ASSOCIATION, INC.**  
3305 Arctic Blvd., Ste. 105, Anchorage, Alaska 99503 (907) 563-9229 [www.alaskaminers.org](http://www.alaskaminers.org)

February 5, 2013

Speaker of the House Mike Chenault  
Representative Mike Hawker  
Capitol Room 208  
Juneau, AK 99801

Dear Speaker Chenault and Representative Hawker:

The Alaska Miners Association (AMA) writes to express its support for HB4, an Act to advance an in-state natural gas pipeline.

AMA is a non-profit membership organization established in 1939 to represent the mining industry in Alaska. We are composed of more than 1,500 individual prospectors, geologists, engineers, vendors, suction dredge miners, small family mines, junior mining companies, and major mining companies. Our members look for and produce gold, silver, platinum, molybdenum, lead, zinc, copper, coal, limestone, sand and gravel, crushed stone, armor rock, and other materials.

It is without question that Alaskans across the state are struggling with substantial energy costs. Our large mines and development projects are no exception. Hardrock mines with milling processes are extremely energy-intensive operations, and our mines pay millions of dollars each year for power. Alaska's operating mines consume power from coal, hydro, and limited natural gas sources, with all using at least some diesel generation. Only four of seven large mines are connected to power grids in the state. The mines currently in operation require anywhere from 20 to 50 megawatts of power, and development projects on the horizon estimate needing hundreds of megawatts of power. At least two development projects in the state are pursuing gas pipelines connecting directly to their projects - infrastructure that could benefit surrounding communities, provided a stable supply of gas is available. Many more projects are in locations that would directly benefit from an in-state line and consistent supply of gas.

Today mining is Alaska's second largest industry, and our mines employ over 5,000 people directly, paying \$650 million in payroll each year. Mining pays millions in revenues to local governments, the state government through rents, royalties, and taxes, and Alaska Native Corporations. It is important to keep operation costs manageable and ensure mining is feasible; energy is by far the highest cost factor. Actions that reduce costs will help to ensure the industry stays strong and new projects come on board.

AMA believes HB4 allows the Alaska Gasline Development Corporation (AGDC) to pursue a large diameter line, which would improve the commercial viability of Alaska's natural gas resources and help move the resources to market outside of Alaska. It also allows AGDC to pursue the needed infrastructure that will meet our in-state residential and industrial energy needs. This is a win-win situation for all Alaskans, and we applaud your leadership in the introduction of this legislation.

Thank you,

Deantha Crockett  
Executive Director



# RESOURCE DEVELOPMENT COUNCIL

Growing Alaska Through Responsible Resource Development

Founded 1975

Executive Director

Rick Rogers

2012-2013 Executive Committee

Phil Cochran, President

L.F. "Len" Horst, Br. Vice President

Ralph Samuels, Vice President

Eric Fjelstad, Treasurer

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Keith Silver

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Jan Trigg

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Senator Mark Begich

Senator Lisa Murkowski

Congressman Don Young

Governor Sean Parnell

February 1, 2013

The Honorable Mike Chenault  
The Honorable Mike Hawker  
Alaska House of Representatives  
Capital Room 208  
Juneau, AK 99801

RE: HB 4

Dear Speaker Chenault and Representative Hawker,

On behalf of the Resource Development Council for Alaska, Inc., (RDC), I am writing in support of HB 4, which empowers the Alaska Gasline Development Corporation (AGDC) to further advance an in-state gas pipeline.

RDC is a statewide, non-profit, membership-funded organization founded in 1975. The RDC membership is comprised of individuals and companies from Alaska's oil and gas, mining, timber, tourism, and fisheries industries, as well as Alaska Native corporations, local communities, organized labor, and industry support firms. RDC's purpose is to link these diverse interests together to encourage a strong, diversified private sector in Alaska and expand the state's economic base through the responsible development of our natural resources.

Reliable and affordable energy supplies are critically important to Alaska residents and are vitally needed to grow our economy and provide energy for resource development projects and community development. RDC has consistently supported the development of commercially-viable energy from diverse sources, including coal, natural gas, hydroelectric and other renewable and nonrenewable alternatives. RDC has also supported public policies and fiscal decisions to improve the commercial viability of developing Alaska's North Slope and Interior natural gas resources. HB 4 removes constraints identified by AGDC in moving an in-state gas line development project forward: funding the project to an open season; providing needed confidentiality for collaboration with private entities and information sharing; and establishing contract carrier status to support firm commercial transportation commitments.

The economics of natural gas delivery are inversely proportionate to line capacity, and a 500 MCF or smaller line faces significant economic challenges. HB 4 requires any line to stand on its own, underpinned by capacity commitments and without incurring

future financial liabilities to the State. Future appropriations, loan guarantees or other underwriting of an AGDC gas line project would require legislative approval. Should such become necessary, RDC would evaluate the appropriateness of public financial support carefully. The ultimate determination of whether to commit additional public funds would need to be based on the project's merits, the impacts on competing sources of energy, and the burden such a project may put on the fiscal health of the State.

The best case for Alaska is a large capacity line serving both in-state and export (or Lower 48) markets. While market forces will dictate the viability of a large capacity line, HB 4 allows AGDC to participate in a large diameter gas line project. AGDC could add value to such a project by providing for the in-state gas infrastructure to meet our growing energy needs, both residential and industrial.

HB4 establishes AGDC as a stand-alone agency with a specific mission to deliver gas to Alaskans at the most affordable price. Given the growing concern we have with regard to the long-term fiscal sustainability of our State, we encourage the AGDC enabling legislation to sunset the agency should future circumstances render its mission obsolete or unachievable.

RDC looks forward to passage of HB 4. Ultimately free market forces will allow project economics to dictate the best energy solutions for Alaska consumers considering both price and reliability. HB4 provides an appropriate balance by providing public sector support in early stages sufficient to bring the project to an open season where economics will determine the project's fate.

RDC applauds your leadership as cosponsors of this legislation, and we appreciate the opportunity to share our views of this bill.

Sincerely,

A handwritten signature in black ink, appearing to read "Rick Rogers", with a long horizontal flourish extending to the right.

**Rick Rogers**  
Executive Director

February 20, 2013

The Honorable Mike Hawker  
Alaska House of Representatives  
Capitol Room 502  
Juneau, AK 99801

Re: Support of House Bill 4

Dear Representative Hawker,

The Alaska State Chamber of Commerce (Alaska Chamber) is an organization dedicated to improving the business climate in Alaska. The Alaska Chamber represents hundreds of statewide businesses from Ketchikan to Barrow that share a common goal: to make Alaska a viable and competitive place to do business. Today, I am writing in support of House Bill 4 (HB 4).

Last fall Alaska Chamber members adopted dozens of positions they believe will positively impact the business environment in Alaska and three top priorities. One of the three top priority positions is "reducing the high cost of energy" by supporting initiatives that lower the high cost of energy in Alaska by developing energy resources.

The Alaska Chamber supports HB 4 which allows AGDC to advance an in state pipeline to the construction stage. Such a process will identify opportunities for getting natural gas to Alaskans in the most commercially and economically viable manner available. Additionally, should it be an option, HB 4 allows AGDC to participate in a large diameter export gasline project.

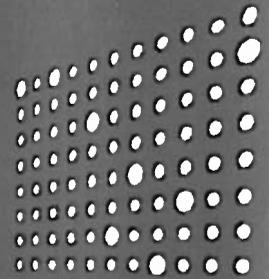
As an organization representing private sector business in Alaska, the Alaska Chamber will evaluate future recommendations stemming from the AGDC process carefully. In other words, we prefer projects be funded by the private sector.

The Alaska Chamber looks forward to passage of HB 4.

Sincerely,



Rachael A. Petro  
President/CEO



ALASKA STATE  
CHAMBER  
OF COMMERCE

1000 W. 11th Avenue  
Juneau, Alaska 99801

Headquarters

1000 W. 11th Avenue  
Juneau, Alaska 99801  
Phone: 907.586.1000  
Fax: 907.586.1001  
www.alaskachamber.com

Regional Office

5100 C. Williams Dr.  
Juneau, Alaska 99801  
Phone: 907.586.1000  
Fax: 907.586.1001  
www.alaskachamber.com



**Alaska Chapter**

**March 29, 2013**

**Representative Hawker  
State Capitol  
Juneau, AK 99801**

Dear Mike:

On behalf of the Associated Builders and Contractors of Alaska (ABC of Alaska), I would like to thank you for sponsoring House Bill 4. We commend you, the Alaska Gas Pipeline Development Corporation Team, the Alaska Legislature and the Parnell Administration on your continuing efforts to provide energy to Alaska and specifically in your pursuit of natural gas for Alaska.

Be it ASAP Project, a large diameter natural gas pipeline, hydro, geothermal, increased production of gas or most likely some combination of all of the above, Alaska's policy leaders need to pursue paths that lead to reasoned and informed decisions and action. It is imperative to the residents of our state and Alaska's economy to have access to reliable, affordable energy.

ABC of Alaska supports progressing the ASAP Project as outlined in House Bill 4 and encourages legislative action to ensure the project progresses.

AS a trade association that represents contractors, subcontractors, material suppliers and construction related firms across Alaska, we are particularly interested in contracting procurement strategies. We share and applaud the commitment AGDC has made to maximize local hire.

With regard to local Alaska hire we encourage you to consider two items:

1. Consider the possibility of leveraging the state's financial contributions to the project to require application of resident employment preferences in AS 36.10.150; and
2. Consider asserting the application of prevailing wages standard up front.

We recognize focus on the workforce and employment issues may seem premature, but we believe addressing some of these concerns now, will provide Alaska businesses and workers with an assurance of open and fair practices; thus allowing AGDC to focus on completing the design, engineering and permitting phases of the project.

ABC of Alaska strongly opposes any effort to exclude non-union Alaska businesses and non-union Alaska workers from the construction project. Alaskans, union and non-union, should be allowed to compete for work equally.

We look forward to assisting in furthering this project and appreciate your efforts in trying to ensure Alaskans have affordable energy as a foundation for jobs and an economy for many years to come.

**Amy Nibert  
President/CEO  
ABC of Alaska**



March 13, 2013

The Honorable Mike Chenault  
Speaker of the House  
Alaska House of Representatives  
State Capitol Building  
Juneau, Alaska

Subject: Support for House Bill 4, in-state natural gas pipeline

Dear Speaker Chenault:

In addition to expressing thanks and appreciation to you for spending time yesterday with the Alaska State Home Building Association, this is a letter of support for House Bill 4 that was approved by unanimous vote of the Board of Directors.

Our understanding is that HB4, sponsored by Rep. Mike Hawker and yourself, would authorize the Alaska Gasline Development Corporation to proceed towards an open season and sanctioning of a project. We strongly support that goal, and want to help advocate for the passage of HB4.

The home building industry relies upon the creation of jobs and a healthy economy. People with a job need a home, and we want to build those homes. HB4 is good for our industry.

As builders, we can also testify to impacts we're seeing amongst consumers who are growing more and more concerned about the economy and the rising cost of energy. In some regions of our state, monthly costs to heat a home are becoming as expensive as the mortgage payments. This is not a good situation for our industry, our communities, and the State of Alaska.

Our members have discussed this issue at length, and our Board of Directors appreciates this opportunity to express support towards passage of legislation that will move an in-state natural gas pipeline project forward. We support HB4.

Thank you again for all your efforts.

Sincerely,

Jess Hall, President  
Alaska State Home Building Association

*P.S. Mike,  
thanks for dropping by  
the Home Builders Tuesday & updating  
us on the issues. Jess*



## **ASSOCIATED GENERAL CONTRACTORS of ALASKA**

---

8005 Schoon Street • Anchorage, Alaska 99518  
Telephone (907) 561-5354 • Fax (907) 562-6118

3750 Bonita Street • Fairbanks, Alaska 99706  
Telephone (907) 452-1809 • Fax (907) 456-8599

**February 1, 2013**

**Representatives Chenault and Hawker  
State Capitol  
Juneau, AK 99801**

**Re: HB 4**

**Dear Mike:**

**On behalf of the Associated General Contractors of Alaska, a construction trade association of over 660 business members, representing the majority of the construction industry in Alaska, thank you for sponsoring HB 4.**

**Alaskans have been talking about a gas line for over thirty years, and until recently, it has been a lot of hot air. Your effort almost 3 years ago to fund the Alaska Gas Line Development Corporation resulted in considerable progress and momentum on a badly needed project. We are at a critical juncture in Alaska's energy future and an Alaska Gas Line is important to our future and our sustainability. The momentum needs to continue, and frankly needs some of the "acceleration" that HB4 will provide.**

**An Alaska natural gas pipeline will provide clean energy and great economic opportunities for decades, for the maximum benefit of all Alaskans.**

**I assure you that we are continually working to maintain the highest level of skills and talent in the construction industry in Alaska and we are ready, willing and able to take on this project.**

**Thank you for your service to the people of Alaska and your sponsorship of HB4.**

**Sincerely,**

**John MacKinnon  
Executive Director  
Associated General Contractors of Alaska**



March 21, 2013

The Honorable Bill Stoltze, Co-Chair House Finance  
The Honorable Alan Austerman, Co-Chair House Finance  
State Capitol  
Juneau, Alaska 99801-1182

SUBJECT: Support for HB4, Instate Gasline and SB23, LNG Trucking

Dear Committee Chairmen Stoltze & Austerman,

Rising energy costs are working against the long-term viability for hotel and lodging businesses. AkH&LA supports the Governor and Legislature in their efforts to advance cost-effective and timely projects to provide Alaskans and Alaskan businesses with a long-term reduction and stabilization of energy costs. The Alaska Hotel & Lodging Association supports current projects such as; an in-State Gas Line, the Susitna Hydro Project, the Southeast Hydro projects, a North Slope LNG Trucking project as proposed by Governor Parnell, and alternative energy projects around the state.

The Alaska Hotel & Lodging Association views HB 4 & SB 23 as a comprehensive energy package advancing projects proposing both short and long term energy cost reduction to thousands of Alaskans. AkH&LA appreciates the introduction of HB4 by Representative Hawker & Representative Chenault as well as the Governor's introduction of SB23. These bills not only recognize the problem but address it by moving forward with specific projects in an effort to solve the high cost of energy in Southcentral, Interior and Rural Alaska. The hotel and lodging industry is a major consumer of energy and to that end, the situation in Southcentral and the current costs in Interior Alaska are untenable having the potential to jeopardize the economic viability of hotel businesses throughout the region.

Over 27,000 Alaskans are employed by the lodging and restaurant industries. These employees and the businesses that hire them are vital to the Alaskan economy. AkH&LA supports efforts by the Legislature to reduce the cost of energy to all Alaskans and Alaska's businesses. It is imperative that Alaska's economy not be constrained by our own inertia. Passage of these two vital pieces of legislation will move Alaska's economy forward. We urge you to take immediate action on these bills and pass them this legislative session.

Sincerely,

Gretchen Kenney  
Executive Director  
Alaska Hotel & Lodging Association

Cc:

Governor Parnell  
Alaska Legislature



*United in a common goal to make Alaska the most hospitable place on earth!*

330 E. 4th Avenue, Suite 201 • Anchorage, Alaska 99501 • (907) 272-1229 • Fax: (907) 272-1289 • E-mail: akhla@4aha.org



**TESORO**

**Tesoro Alaska Company  
1601 Tidewater Road  
Anchorage, AK 99501**

**February 20, 2013**

**Speaker of the House Mike Chenault  
Representative Mike Hawker  
Capitol Room 208  
Juneau, Alaska 99801**

**Dear Speaker Chenault and Representative Hawker:**

**On behalf of Tesoro Alaska, I am writing in support of House Bill 4, an Act relating to the Alaska Gasline Development Corporation.**

**Tesoro Alaska's Kenai refinery is located on the Cook Inlet, 70 miles southwest of Anchorage. The refinery can process up to 72,000 barrels of crude oil per day. The refinery produces gasoline, jet fuel, ultra-low sulfur diesel, heating oil, heavy fuel oils, propane and asphalt. A reliable supply of natural gas is critical for the continued success of our refinery operations.**

**Your combined leadership on Cook Inlet issues is recognized and appreciated by our approximately 550 full-time Alaskan employees. House Bill 4 is another critical step towards supplying Alaskan residents and businesses with access to the state's abundant natural gas supplies on the North Slope.**

**Tesoro Alaska believes House Bill 4 would help Alaska move forward towards and assist in the development of much needed infrastructure that would provide the state with a permanent and reliable supply of natural gas. The benefits to both residents and businesses would be substantial.**

**We applaud your efforts and leadership and encourage your colleagues in the Alaska State Legislature to support the passage of House Bill 4.**

**Sincerely,**

**James Tangaro  
Vice President Kenai Refinery  
Tesoro Alaska**



**LEADER** in All We Do

February 22, 2013

Dear Alaska Legislators,

This letter is statement of support for the passage of HB 4, and the Alaska Stand Alone Gas Pipeline Project.

Doyon, Limited is the state chartered Alaska Native Claims Settlement Act Regional Corporation for Interior Alaska. Doyon has over 18,500 shareholders, most of whom reside within the State of Alaska; and many of our shareholders share the need of Alaskans for new options for heating and power generation fuels.

Furthermore, Doyon, Limited is the largest private land owner in the State. One of our highest priorities, made possible by the passage of SB 23 during the 2012 legislative session, is continued exploration for oil and gas resources on both Doyon and State owned lands along the proposed Alaska Stand Alone Pipeline corridor. Pipeline access for new discoveries of gas resources along the ASAP route would be good for all Alaskans.

Therefore, we support the passage of HB 4. We believe the ASAP gas pipeline effort has the potential to move forward this year. The project has made progress as indicated by the completion of the Final Environmental Impact Statement, the 604 miles State of Alaska lease ROW, and plan of development.

Thank you for the work you do to support Alaska, and for the opportunity to comment. If you have any questions about this letter of support, please contact our office at (907) 459-2000.

Sincerely,

Aaron M. Schutt  
President and CEO  
Doyon, Limited

# Cook Inlet Energy

February 19, 2013

Dear Representative Hawker,

Thank you very much for your continuing efforts to improve and enhance the energy markets in Alaska. Last year Cook Inlet Energy supported your efforts to pass HB 9, and we find that the passing of the last year has only sharpened the case for creating mechanisms that can move gas into and out of the Cook Inlet. HB 4 would take concrete steps towards doing just that.

Cook Inlet Energy is a small, Anchorage-based oil and gas company working hard to develop and deliver oil and gas to market to try to contribute to the solution to Alaska's future energy needs. We have had some success in increasing our gas production recently, and with several exciting gas exploration opportunities we hope to grow production for years to come.

Unfortunately, no explorer can predict how successful they will be, let alone know for certain what the future cost or deliverability of any discovered gas would be.

However, just as I emphasized last year, the economics of gas exploration in Cook Inlet are challenged because it is a small, isolated market with a limited consumer base. Without an ability to import and export gas from outside the region there is no spot market to sell into or buy from, and no market price. We will constantly be in either a state of shortage, or a state of oversupply. The last few winters we have seen very tight gas markets. This was especially challenging for our efforts to try to purchase fuel gas for our facilities. But we in Southcentral are also vulnerable to the risk that a large producer could lock the entire market up under long-term contracts, shutting competitors out of the market and stifling development of the Cook Inlet's abundant gas potential. And a truly large discovery could never find the necessary markets to recoup its investment. To have stable supply and stable prices, the region must be able to purchase additional gas when needed, and sell it when it can.

HB 4 will take concrete steps toward the construction of a pipeline to Southcentral Alaska. It is our understanding that development of such a pipeline would involve an anchor shipper in Southcentral that would expand demand. This seems like the best plan on the table for creating a larger and more liquid gas market in Cook Inlet.

Some fear that bringing North Slope gas into the region would pose a threat to Cook Inlet producers. Far from it. The threat posed to future Cook Inlet gas production is monopolization. Cook Inlet gas will always be able to compete against North Slope gas, as long as the pipeline tariff is not subsidized. But if there is no market to sell into who will invest in Cook Inlet gas production?

Please keep up the good work. We earnestly hope that HB 4 can pass both chambers this year, and that it ultimately results in a project that helps monetize North Slope gas and stabilizes energy supply on the Rail belt. We very much hope as Alaskans that the resulting infrastructure in Southcentral has enough capacity to accommodate additional deliveries from the Cook Inlet Basin, and will be open to all on commercially reasonable terms.

Sincerely,



David Hall,  
CEO  
Cook Inlet Energy, LLC

***Alaska Trucking Association, Inc.***

3443 Minnesota Drive · Anchorage, Alaska 99503 · Phone (907) 276-1149 · Fax (907) 274-1946

[www.aktrucks.org](http://www.aktrucks.org)

*The authoritative voice of the trucking industry in Alaska*

---

March 15, 2013

The Honorable Mike Chenault  
Speaker of the Alaska House of Representatives  
Juneau, Alaska

Via e-mail: [tom.wright@akleg.gov](mailto:tom.wright@akleg.gov)

Dear Mr. Speaker,

The Alaska Trucking Association is a state wide organization representing the interests of our nearly 200 member companies.

The ATA believes that Alaska's huge energy supply must be harnessed to be delivered to Alaskans and to the world markets. The economic future of our state depends on providing systems to deliver gas to market. ATA supports funding for work that advances the knowledge base for future gas line construction. Recognizing that first gas from a pipeline will take several years, we also support short term solutions such as trucking LNG from Prudhoe Bay to Fairbanks and possibly other locations.

We urge you to take action to deliver gas to Alaskans and to the world markets.

Thank you.

Sincerely,



Aves Thompson  
Executive Director



*If you got it, a truck brought it...*

**Hilcorp Alaska, LLC**

Post Office Box 244027  
Anchorage, AK 99524-4027

3800 Centerpoint Drive  
Suite 100  
Anchorage, AK 99503

Phone: 907/777-8300  
Fax: 907/777-8301

5 February 2013



The Honorable Mike Chenault  
The Honorable Mike Hawker  
Alaska State Capitol  
Juneau, AK 99801

Re: HOUSE BILL NO. 4

Dear Speaker Chenault and Representative Hawker:

You have asked Hilcorp Alaska, LLC ("Hilcorp") to comment on House Bill No. 4 which lays the groundwork for the development of an in-state natural gas pipeline via the Alaska Gasline Development Corporation.

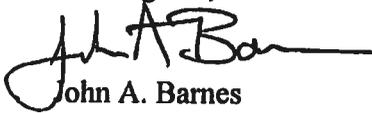
As a natural gas producer in Cook Inlet, we have been paying close attention to the discussions regarding in-state natural gas supply. We are working hard to increase natural gas production from the Cook Inlet Basin. Moving forward we remain focused on maintaining good working relationships with our vendors, stakeholders and regulators. Ultimately we plan to develop our assets in Cook Inlet to their full potential, providing a reliable energy source for Southcentral Alaska while creating value for our company, our employees and our community.

A stable and predictable fiscal and regulatory framework that supports a competitive business climate is essential to our success.

However, we also acknowledge the potential and desire to develop natural gas resources in other parts of the state. Accordingly, Hilcorp does not object to the construction and operation of the pipeline outlined House Bill No. 4 so long as the tariff would reflect the capital and O&M costs typically approved for such a pipeline by the Regulatory Commission of Alaska.

We thank you for the opportunity to provide our thoughts regarding House Bill No. 4 and look forward to working with you and others in the Alaska Legislature and Administration in the future.

Best regards,

  
John A. Barnes  
Senior Vice President