

## Laura Pierre

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**From:** Peterson, Darwin R (GOV) <darwin.peterson@alaska.gov>  
**Sent:** Saturday, October 31, 2015 9:20 AM  
**To:** Sen. Anna MacKinnon  
**Cc:** Laura Pierre  
**Subject:** Response to Question from Senator MacKinnon

Dear Senator MacKinnon,

In response to the question you posed to me in Senate Finance during the hearing on October 30<sup>th</sup>, I offer the following response:

When the Governor stated that SB 138 was fundamentally flawed, he was speaking primarily about the issue of project certainty. He has spoken many times about the need for adequate provisions to ensure a partner who withdraws from the project will still commit the gas they control, and has expressed his concern that the timeline of the project could be limited by the slowest and most reluctant partner.

The letters he received last week from the producer partners helped alleviate these concerns, enough so that he removed the Reserves Tax bill from the special session call. However, he remains aware that we need continued attention to project timelines and deadlines, with adequate protections for the state in the event one or more partners seeks to slow the process. He believes this can be done via negotiations within the framework of SB 138, and therefore sees no reason to seek specific statutory amendments at this time.

Regards,  
Darwin Peterson