

INTERIOR & ALASKA

Hilcorp president not worried about Pentex purchase

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Hilcorp president Greg Lalicker on the state's plan to buy Pentex

JUNEAU — The state's plan to buy Fairbanks Natural Gas drew criticism from lawmakers for interfering with private industry, but the head of a private company affected by the deal said he's not losing sleep over the plan.

In a presentation to lawmakers this week, the president of Hilcorp, the company that signed a deal to buy an affiliated gas processing facility in

Point Company said Hilcorp still would like to buy the plant, but he's not worried if the state wants to take it in a different direction.

"Is the governor interfering in this? My honest answer is I don't think so," Greg Lalicker said. "Do I really lose any sleep over who owns what in a chain as long as I'm producing

more natural gas? No, not overly."

The state's plan to buy Fairbanks Natural Gas parent company Pentex would include the Point MacKenzie plant, which is owned by Pentex subsidiary Titan.

Months before the purchase was announced, Pentex had entered into an agreement with Hilcorp to

explore the purchase and sign a long-term deal to buy gas from Hilcorp. That agreement came under the scrutiny of the state Attorney General amid anti-trust concerns and is currently under review

to ensure the rates on the plant are fair, a process that's expected to conclude this summer. In updates issued since

the project announcement, state officials have said the main goal of the purchase is to acquire Fairbanks Natural Gas in a bid to unify and drive down the cost of distribution in the Fairbanks area.

As for the potential sale of Titan and the Point MacKenzie plant to Hilcorp, they said the existing contracts will still be in

place.

Lalicker said Hilcorp is still interested in the purchase, but said ultimately his goal is to continue to produce more gas out of the Cook Inlet.

"I still want to find more gas, produce more gas in the Cook Inlet and if someone else wants to own the bit in the middle, then we've just got to figure out how to make that work," he said.

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