STATE OF ALASKA THE LEGISLATURE

2005

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 Resolve No.

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Urging Governor Murkowski to take quick action to conduct, approve, or sanction a study of in-state natural gas needs and take-off points for intrastate use of natural gas transported in a North Slope natural gas pipeline.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

WHEREAS both the economic and fiscal future of the State of Alaska are closely tied to the commercialization of North Slope gas; and

WHEREAS the current climate of rising national demand for natural gas combined with declining natural gas reserves has created a loud call for Alaska's energy resources; and

WHEREAS the United States Congress has heard that call and answered with financial backing and direction for a regulatory regime for a project to bring Alaska's North Slope gas to the lower 48 states; and

WHEREAS the United States Congress has also mandated that any project to bring Alaska gas to the lower 48 states must also be designed to accommodate deliveries of Alaska gas to markets in Alaska, and has required that any pipeline sponsor study the needs of Alaska for natural gas and the take-off points that will be required to maximize the value of gas to serve Alaska gas markets; and

WHEREAS, on February 9, 2005, the Federal Energy Regulatory Commission, in its Order No. 2005, issued final rules requiring that project sponsors of any Alaska gas pipeline must rely on a study of Alaska in-state needs and take-off points as a part of the initial "open season" process to design pipeline capacity needs, locate in-state delivery points, and calculate in-state transportation costs as part of a plan of design and construction of an Alaska natural gas pipeline; and

WHEREAS the Federal Energy Regulatory Commission has also required that the study shall, to the extent practicable, be conducted, approved, or otherwise sanctioned by the appropriate governmental agency, office, or commission of the State of Alaska; and

WHEREAS the rules that were set out in the Federal Energy Regulatory Commission Order No. 2005 will be brought into force 90 days after being posted in the Federal Register;

BE IT RESOLVED that the Alaska State Legislature urges Governor Murkowski to take quick action to conduct, approve, or sanction a study of in-state natural gas needs and take-off points for intrastate use of natural gas transported in a North Slope natural gas pipeline, with the objective that the study be completed before the final rules relating to the Alaska Natural Gas Pipeline take effect on the 90th day following the publication in the Federal Register of the rules adopted by the Federal Energy Regulatory Commission in its Order No. 2005.