

# ALASKA STATE SENATE

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## Senator Mike Cronk

### Sponsor Statement for SB 114

**“An Act relating to an in-state natural gas pipeline developed by the Alaska Gasline Development Corporation; and providing for an effective date.”**

The Alaska Gasline Development Corporation (AGDC) was established in 2010 with the passage of HB 369 in the 26<sup>th</sup> Legislature. HB 369 included language that stated, “the state’s significant reserves of natural gas should be made available on a priority basis in the state to enhance employment opportunities, expand the state’s economy, and supply a significant portion of community energy needs.”

The near- 100,000 people in the Fairbanks North Star Borough pay the highest electricity rates on the Railbelt, according to a report published by the University of Alaska Fairbanks’ Alaska Center for Energy and Power. If a spur to Fairbanks is not built, the citizens of the Golden Heart City will continue to pay exorbitant electricity costs.

Businesses and citizens living in Alaska’s 2<sup>nd</sup> most populous city and the entire Fairbanks North Star Borough desperately need the energy relief that would come from a spur connected to a natural gas pipeline. The AGDC maintains that the development of a spur line to Fairbanks and 34 other identified communities, although technically feasible, would need to be evaluated prior to construction.

SB 114 guarantees that an in-state pipeline would include a spur to the City of Fairbanks and the Fairbanks North Star Borough and ensures that all Alaskans can benefit from a natural gas pipeline.