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**Governor Sean Parnell
STATE OF ALASKA**

February 21, 2012

Mr. Scott Heyworth
Board Chairman
Alaska Natural Gas Development Authority
411 West Fourth Avenue, First Floor
Anchorage, AK 99501

Dear Mr. Heyworth and ANGDA Board Members,

Thank you for your January 13, 2012 letter regarding the Alaska Natural Gas Development Authority (ANGDA). As you know, significant and positive activities are underway that may yet calibrate into alignment on an Alaska liquefied natural gas (LNG) project.

Our goal is to get natural gas to Alaskans and markets beyond. Where the State has multiple natural gas efforts underway, including ANGDA, I have aggressively sought consolidation and focus of the State's efforts. We simply do not need the State going in many uncoordinated directions. With the recent introduction of House Bill 9, more discussion of consolidation of the State's efforts will occur in the Legislature. HB 9, among other things, would move ANGDA's function and governance into the Alaska Gasline Development Corporation. HB 9 appears to further the discussion of focusing the State's efforts toward commercializing Alaska's gas in Alaska's interests.

In considering the cost-benefits of HB 9, it is imperative that we be made aware of any and all ANGDA obligations, contractual or otherwise. In response to how ANGDA can support these efforts most effectively, ANGDA should not obligate itself nor proceed to more tightly entangle itself in any pending negotiations or commitments – whether toward development or distribution of propane for the North Slope, ANGDA board vacancies or appointments, or other contractual or substantive actions during this interim period.

Sincerely,

A handwritten signature in black ink that reads "Sean Parnell".

Sean Parnell
Governor