

HOUSE BILL NO. 21

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES PORTER AND MULDER, Dyson

Introduced: 1/8/01

Referred: House Special Committee on Oil and Gas, Resources

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the construction of an overland natural gas pipeline to transport**
2 **natural gas from North Slope reserves to North American markets."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 * **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
5 to read:

6 LEGISLATIVE FINDINGS. The legislature finds that

7 (1) known natural gas resources on the oil and gas leases of the North Slope of
8 Alaska, amounting to 35 trillion cubic feet (Tcf) that are ready for production, together with
9 estimates of total recovery from gas fields that may ultimately exceed an estimated 100 Tcf,
10 confirm Alaska as a principal source of energy to meet North American market demands for
11 cleaner, more efficient energy in this new century;

12 (2) an improved investment climate, technological and engineering
13 improvements that have reduced the cost of construction and operation of a natural gas
14 transportation system under arctic and subarctic conditions, and strong demand for the gas in

1 the North American market have significantly improved prospects for development of these
2 gas reserves and delivery of the gas to the population and industrial centers of Canada and the
3 United States;

4 (3) the gas reserves of Alaska's North Slope are so large that, without
5 foreclosing consideration of projects involving gas-to-liquids and liquefied natural gas
6 technologies, the projected demands of the North American market will require completion of
7 an overland gas pipeline between the North Slope and the existing natural gas pipeline
8 network in north central Alberta;

9 (4) producers have identified two major routes--a "northern" route running
10 east from the North Slope to Canada's Mackenzie River Valley, then south through that valley
11 to link to the pipeline network, and a "southern" route parallel to the trans Alaska oil pipeline
12 to the state's Interior, branching to parallel the Alaska Highway through the Yukon Territory
13 and northern British Columbia to link to the pipeline network--as the only natural gas pipeline
14 projects worthy of full consideration;

15 (5) it is in the best interest of the State of Alaska that the natural gas pipeline
16 be constructed along the "southern" route, for construction along this route will

17 (A) provide the benefit of a less expensive, cleaner energy source to
18 the Interior of the state and provide the opportunity for additional gas
19 commercialization throughout the state;

20 (B) have the benefit of transportation access and support infrastructure,
21 following in part a route for which environmental studies have already been
22 developed;

23 (C) add significant property value to the tax base of the state and its
24 local governments, generating millions of dollars of additional state and local
25 government revenue; and

26 (D) provide direct short-term construction and long-term operation-
27 related employment opportunities for Alaskans.