

SENATE RESOLUTION NO. 2

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-EIGHTH LEGISLATURE - FIRST SESSION

BY THE SENATE RULES COMMITTEE

Introduced: 1/15/13

Referred: Taken Up

A RESOLUTION

1 **Establishing a Senate Special Committee on Trans Alaska Pipeline System Throughput.**

2 **BE IT RESOLVED BY THE SENATE:**

3 **WHEREAS** oil revenue is extremely important to the State of Alaska, providing over
4 90 percent of the state's unrestricted general fund revenue; and

5 **WHEREAS** ninety-eight percent of Alaska's current oil production is produced on the
6 Alaska North Slope and transported to market through the Trans Alaska Pipeline System; and

7 **WHEREAS** the volume of oil being transported through the Trans Alaska Pipeline
8 System has steadily declined from the 1988 peak of 2,100,000 barrels a day to 579,100 barrels
9 a day in fiscal year 2012, which represents a 71 percent decrease; and

10 **WHEREAS** the Department of Revenue predicts the decline will continue at a rate of
11 5.5 percent over the next 10 years, resulting in an estimate of Trans Alaska Pipeline System
12 throughput of 338,500 barrels a day in fiscal year 2022; and

13 **WHEREAS** reduced Trans Alaska Pipeline System throughput has created substantial
14 operational hurdles and cost increases associated with running the system so far below design
15 capacity; and

16 **WHEREAS** projected declines in Trans Alaska Pipeline System throughput will

1 compound those operational and cost issues and could jeopardize the viability and safe
2 operation of the Trans Alaska Pipeline System; and

3 **WHEREAS** it is incumbent on the legislature to examine the causes of declining
4 Alaska North Slope oil production and to take an active role in increasing Trans Alaska
5 Pipeline System throughput by all reasonable means;

6 **BE IT RESOLVED** by the Senate that the Senate Special Committee on Trans
7 Alaska Pipeline System Throughput is established to examine the decline in and take
8 appropriate action relating to increasing Trans Alaska Pipeline System throughput; and be it

9 **FURTHER RESOLVED** that the president of the Senate shall determine the number
10 of members of the committee and shall appoint the members and designate a member or
11 members to chair the committee; and be it

12 **FURTHER RESOLVED** that the Senate Special Committee on Trans Alaska
13 Pipeline System Throughput may meet during and between sessions of the Twenty-Eighth
14 Alaska State Legislature and is terminated on the convening of the First Regular Session of
15 the Twenty-Ninth Alaska State Legislature.