

Original sponsor: State Affairs Committee

Offered: 6/5/78
Referred: Finance

1 IN THE SENATE BY THE RESOURCES COMMITTEE

2 CS FOR SENATE CONCURRENT RESOLUTION NO. 108

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 Relating to the use of royalty gas within
6 the state.

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

8 WHEREAS Alaska's economic base is presently dependent upon government
9 spending of one type or another and is in need of diversification; and

10 WHEREAS Alaska's royalty oil and gas resources provide an immediate
11 opportunity for Alaska to develop an industrial base and year-round employ-
12 ment opportunities for its citizens; and

13 WHEREAS the Northwest Alaskan Pipeline Company has been authorized to
14 construct a natural gas pipeline from Prudhoe Bay to the contiguous 48 states;
15 and

16 WHEREAS, without access to royalty gas by means of a tap, or other
17 access mechanism, installed in the pipeline, a petrochemical facility based
18 on the state's royalty gas could not be constructed at the most logical loca-
19 tion; and

20 WHEREAS the Fairbanks area is the most logical location for an access
21 point for royalty gas, as indicated in the state-sponsored report by Bonner
22 and Moore; and

23 WHEREAS Northwest Alaskan Pipeline Company has stated that it must know
24 the state's plans for its royalty gas by June 1978 so that Northwest can
25 proceed on schedule with the design and engineering of the pipeline; and

26 WHEREAS, if the state decides to require the installation of taps, or
27 other access mechanisms, in the pipeline after design and engineering is com-
28 pleted, past experiences have shown that state residents and consumers will
29 be forced to bear the cost of design modifications;

1 BE IT RESOLVED by the Alaska State Legislature that it respectfully
2 requests the Governor, the Commissioner of Natural Resources, and the Royalty
3 Oil and Gas Development Advisory Board to indicate clearly their intent that
4 Alaska's royalty gas from Prudhoe Bay will be processed within Alaska and
5 that they will require the installation of taps, or other access mechanisms,
6 in the pipeline at a location south of Livengood; and be it

7 FURTHER RESOLVED that the exact location of the point of access be
8 determined after consultation with the Fairbanks North Star Borough.

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