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Referred: Resources

BY THE RULES COMMITTEE
BY REQUEST

1 IN THE HOUSE

2 HOUSE JOINT RESOLUTION NO. 81

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 Relating to decontrol of the price of
6 oil produced from Upper Cook Inlet
7 fields.

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

9 WHEREAS oil and gas development in Upper Cook Inlet pioneered the de-
10 velopment of the oil and gas industry in Alaska, and provided information
11 which contributed substantially to the technology of deepwater drilling in
12 severe climate production areas such as the North Sea; and

13 WHEREAS production of oil from Upper Cook Inlet fields has provided
14 Alaskans and other Americans with refined petroleum products such as gasoline,
15 diesel and fuel oil; and

16 WHEREAS drilling and production costs for Cook Inlet wells are among the
17 highest in the world; and

18 WHEREAS production from Cook Inlet fields is rapidly declining; and

19 WHEREAS, though the price of most oil produced from Upper Cook Inlet
20 fields is currently controlled by the federal government at the "lower tier"
21 level, the Department of Energy has granted some Cook Inlet producers price
22 relief in recognition of higher drilling and operating costs; and

23 WHEREAS the most equitable and beneficial means of maintaining Cook
24 Inlet production would be to provide for the decontrol of Upper Cook Inlet
25 production, allowing the product to be sold at market prices;

26 BE IT RESOLVED by the Alaska State Legislature that it urges the United
27 States Congress and the Department of Energy to address the production
28 problems and higher operating costs presented by oil production in Upper Cook
29 Inlet by decontrolling the price of oil pumped from Cook Inlet fields.

1 COPIES of this resolution shall be sent to the Honorable Charles W.
2 Duncan, Jr., Secretary of Energy, and to the Honorable Ted Stevens and the
3 Honorable Mike Gravel, U. S. Senators, and the Honorable Don Young, U. S.
4 Representative, members of the Alaska delegation in Congress.

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