

HCR

3

<target><bill>HCR 3</bill><subject>HCR
3</subject><comm>SENE26</comm></target>

SENATE COMMITTEE REPORT

DATE: 2/11/09

FURTHER: Resources
Finance

DATE TURNED
IN TO OFFICE: 02/27/09

Senate Special Committee on Energy considered HOUSE CONCURRENT RESOLUTION NO. 3 am

HCR 3 IN-STATE GAS PIPELINE

Requesting the governor to provide energy security for all Alaskans by taking and encouraging all action that would support a natural gas bullet pipeline from the North Slope to the Cook Inlet region, including initiating any necessary negotiations to reopen the Agrum plant in Kenai.

and recommends:

- be replaced with SCS or CS _____ (_____)
- adopt previous SCS or CS _____ (_____)
- attached amendment(s)
- adopt _____ Letter of Intent
- further referral to _____ Committee

SENATE BILL:

- Same Title
- New Title

HOUSE BILL:

- Same Title
- Technical Title Change
- New Title w/ SCR # _____


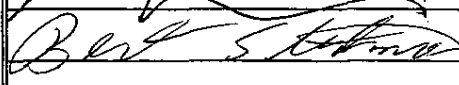
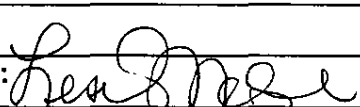
NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Wielechowski			✓	
	STEGMAN			✓	
CHAIR: 	McBuire	✓			

Chair, Judiciary
Chair, Economic Development,
Trade & Tourism
Energy
Military & Veteran Affairs
Joint Armed Services
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Representative Jay Ramras
District 10

Sponsor Statement for House Concurrent Resolution No. 3

Short Title: IN-STATE GAS PIPELINE

Contact: Margaret Dowling, 465-6841

Intent and Purpose HCR 3

The intent of House Concurrent Resolution No. 3 is to provide energy security for Alaskans by encouraging the Governor to take the lead in expediting reopening of Agrium U.S., Inc.; a facility that processes natural gas into urea fertilizer and other consumables. Reopening Agrium ensures a steady demand for natural gas that will enhance the economic viability of a gas bullet line, which will in turn benefit all Alaskans by providing certainty of supply and predictability of price for gas consumers.

The intent of HCR 3 is also to support the Alaska farming industry. Farms cover more than 25,000 acres in five boroughs with more than 300 farmers residing in the Matanuska-Susitna Borough and more than 130 farmers in the Fairbanks area. The value of those farms is approximately \$22,700,000. Agrium U.S., Inc. was the only urea fertilizer plant in the state. After it closed in 2007, because it lacked sufficient supplies of natural gas with which to manufacture fertilizer, farmers in Alaska experienced a 400% increase in the cost of fertilizer and the Alaskan job market lost over 150 jobs. Reopening Agrium will not only help increase the economic viability of a natural gas line, it will create jobs and reduce the cost of farming in Alaska.

Summary HCR 3:

- Requests that the Governor provide energy security for all Alaskans by taking action necessary to support the development of a natural gas pipeline that will deliver natural gas from the North Slope to Cook Inlet.

February 11, 2009

Representative_Jay_Ramras@legis.state.ak.us

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- Requests that the Governor initiate negotiations to reopen the Agrium U.S., Inc. facility, which closed in 2007 and which was a consumer of natural gas used in the production of fertilizer.

Benefits HCR 3:

- Secures an adequate supply of affordable natural gas for residential and industrial consumers from the North Slope to Cook Inlet.
- By reopening Agrium, demand for natural gas will be insured enhancing the economic viability of a natural gas bullet line, which in turn benefits Alaskans by providing certainty of supply and predictability of price for gas consumers along the bullet line route.
- Supports Alaska's farming industry by providing a local, cost competitive source of fertilizer.
- Increases jobs for Alaskans and state and local revenue.