



Alaska State Legislature

1975

Source:

HJR 32

HOUSE JOINT RESOLUTION NO. 32

Relating to prices set by the federal government for natural gas produced and used within the same state.

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

WHEREAS the United States Senate Commerce Committee is considering legislation to allow the federal government to set prices for natural gas produced and used in the same state; and

WHEREAS the Federal Power Commission presently sets prices for natural gas produced in one state and sold in another state; and

WHEREAS the proposed legislation requires the Federal Power Commission to set a uniform national price rate for natural gas sold interstate and intrastate; and

WHEREAS a uniform national price rate for natural gas will tend to limit the innovative uses of natural gas produced and sold in the state, particularly in the outlying areas of the state; and

WHEREAS economic scholars have suggested that the trend should be in the direction of decontrol of natural gas prices instead of an expansion of the regulation of natural gas prices; and

WHEREAS the effect of setting a uniform national price for natural gas will probably be to lower the price of natural gas, which will in turn effect an increase in the demand for natural gas; and

WHEREAS lowering the price and increasing the demand for

natural gas will result in extending the shortage of natural gas and in delaying the introduction of new supplies of natural gas; and

WHEREAS any measure which extends the present shortage of natural gas will tend to favor consumers in a preferential purchasing position and penalize potential consumers for whom gas is not available at any price; and

WHEREAS any measure which will lower the price and extend the shortage of natural gas will penalize consumers outside Alaska because the high cost of delivering natural gas from Alaska will make it unprofitable to deliver natural gas outside the state;

BE IT RESOLVED by the Alaska State Legislature that it strongly urges the United States Congress to reject any legislation which allows the federal government to set prices for natural gas produced and sold within the same state.

COPIES of this resolution shall be sent to the Honorable Gerald R. Ford, President of the United States; the Honorable Nelson A. Rockefeller, Vice-President of the United States; the Honorable James O. Eastland, President Pro Tempore of the United States Senate; the Honorable Warren G. Magnuson, Chairman, Senate Commerce Committee; and to the Honorable Ted Stevens and the Honorable Mike Gravel, U. S. Senators, and the Honorable Don Young, U. S. Representative, members of the Alaska delegation in Congress.