

STATE OF ALASKA

THE LEGISLATURE

1980

Source

CSHCR 60

Legislative
Resolve No.

4



Conditionally accepting the gas pipeline financial and Alaska impact plan submitted by the Alaska Gas Pipeline Financing Authority under AS 44.55.100; and directing additional studies by the authority.

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

WHEREAS timely construction of a natural gas pipeline to deliver supplies of natural gas to domestic markets will be in the best interests of the state only if production of the natural gas from the Prudhoe Bay reservoir is consistent with optimal recovery of oil from the reservoir, and if adequate and timely steps are taken by the Prudhoe Bay producers to assure the compatibility of gas withdrawals with maximum oil recovery; and

WHEREAS state assistance in financing construction of the gas pipeline project may promote transportation of Prudhoe Bay natural gas to markets; and

WHEREAS there are a number of benefits to Alaska from completion of the gas pipeline project, including but not limited to increased state and local government tax revenues, enhanced availability of natural gas supplies for Alaska communities, improvement of the state's economy, and the improved likelihood for development of in-state manufacturing, refining, and processing facilities; and

WHEREAS the legislature has determined that state support for the gas pipeline project constitutes a public purpose and, to that end, the legislature has established the Alaska Gas Pipeline Financing Authority, an instrumentality of the state empowered to sell revenue bonds; and

WHEREAS the Alaska Gas Pipeline Financing Authority constitutes a means of providing state support of the gas pipeline project; and

WHEREAS an amendment of the Internal Revenue Code is required if the Alaska Gas Pipeline Financing Authority is to be empowered to sell tax exempt revenue bonds for the gas pipeline project; and

WHEREAS unresolved issues with respect to engineering, technical, financial, and regulatory matters associated with the project make a final and complete financial and Alaska impact plan under AS 44.55.100 impossible; and

WHEREAS, because of these unresolved issues, the Alaska Gas Pipeline Financing Authority has recommended that the financial and Alaska impact plan be conditionally approved and has suggested the conditions applicable to that approval;

BE IT RESOLVED by the Alaska State Legislature that the financial and Alaska impact plan of the Alaska Gas Pipeline Financing Authority, submitted under AS 44.55.100, is accepted subject to the following conditions:

(1) revenue bonds may not be authorized and issued by the authority until

(A) the plan is amended by the authority;

(B) the amended plan is submitted to the legislature during the first 30 days of a regular session; and

(C) the amended plan is approved by the legislature; and

(2) the amended financial and Alaska impact plan shall provide definitive information for or answers to the points itemized in AS 44.55.100 as to all matters presently unresolved, unanswered or undocumented; and be it

FURTHER RESOLVED that the Alaska Gas Pipeline Financing Authority may examine and make additional recommendations on matters in the financial and Alaska impact plan conditionally accepted by this resolution in the amended plan which it presents; and be it

FURTHER RESOLVED that the Alaska Gas Pipeline Financing Authority is directed to study and evaluate the feasibility and advisability of state financial support for a gas conditioning plant, and to present a written report to the legislature on its study and evaluation not later than the 30th day of the First Session of the Twelfth Legislature.