

**CS FOR HOUSE CONCURRENT RESOLUTION NO. 2(RES)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - FIRST SESSION

**BY THE HOUSE RESOURCES COMMITTEE**

**Offered: 2/6/09**

**Referred: Rules**

**Sponsor(s): REPRESENTATIVES RAMRAS, Millett, Johnson, Chenault, Hawker, Dahlstrom**

**A RESOLUTION**

1 **Requesting the governor to provide energy security for all Alaskans first by pursuing**  
2 **development of a natural gas bullet pipeline from the North Slope to the Cook Inlet**  
3 **region; and requesting the governor to identify and negotiate with one or more persons**  
4 **capable of producing natural gas from the Gubik area, and other areas on the North**  
5 **Slope if necessary, in sufficient quantities to support the energy needs of Alaskans and a**  
6 **bullet pipeline project.**

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

8 **WHEREAS** natural gas production in the Cook Inlet region of the state has suffered  
9 significant decline, resulting in the closure of the Agrium U.S., Inc., facility in Kenai and the  
10 risk of inadequate supplies of natural gas in the Gubik area and elsewhere to consumers that  
11 rely on production from the Cook Inlet region; and

12 **WHEREAS** there are significant quantities of natural gas in the Gubik area and  
13 elsewhere on the North Slope that could be produced if means for delivering the product to  
14 market were available; and

1           **WHEREAS** the major gas pipeline project licensed by the state under AS 43.90  
2 (Alaska Gasline Inducement Act) or a similar alternative project that offers five natural gas  
3 delivery points in the state is not expected to transport natural gas from the North Slope until  
4 after 2016; and

5           **WHEREAS** the people of the state need energy security and access to natural gas now  
6 and cannot wait for the completion of the major gas pipeline project from the North Slope;  
7 and

8           **WHEREAS** the demand for natural gas in the state is expected to increase steadily;  
9 and

10          **WHEREAS** the construction of a smaller gas pipeline, sometimes referred to as a  
11 "bullet line," may be capable of delivering the state's natural gas to in-state markets before the  
12 major gas pipeline project from the North Slope becomes operational; and

13          **WHEREAS** a commitment to transport 180,000,000,000 cubic feet of natural gas a  
14 year to provide approximately 60,000,000,000 cubic feet of natural gas a year for Railbelt  
15 residential customers, 60,000,000,000 cubic feet of natural gas a year for industrial use,  
16 including fertilizer production by Agrium U.S., Inc., and 60,000,000,000 cubic feet of natural  
17 gas a year for export will contribute to the economic viability of the bullet pipeline from the  
18 North Slope to the Cook Inlet region of the state;

19          **BE IT RESOLVED** that the Alaska State Legislature requests the governor to  
20 provide energy security for all Alaskans first by taking all action necessary to promote the  
21 development of a bullet pipeline for delivering natural gas from the Gubik area and other  
22 areas on the North Slope to the Cook Inlet region of the state by identifying one or more  
23 persons capable of producing natural gas from the Gubik area in sufficient quantities to  
24 support a bullet pipeline project or, if the Gubik area does not have sufficient quantities of  
25 natural gas to support a bullet pipeline, from other areas on the North Slope, and negotiating  
26 for a commitment of natural gas production on commercially reasonable terms to support the  
27 energy needs of Alaskans and the economic viability of the bullet pipeline.