

Submitted by: Chairman of the Assembly
At the Request of the Mayor
Prepared by: Mayor's Office
For reading: January 20, 2004

ANCHORAGE, ALASKA
AR NO. 2004-12

A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE SUPPORTING
DEVELOPMENT OF A NATURAL GAS PIPELINE WITH A SPUR LINE TO
ANCHORAGE TO MEET FUTURE ENERGY NEEDS.

WHEREAS, the Anchorage Economic Development Corporation report of March 2001 recognized an impending shortage of natural gas in Southcentral Alaska for industrial and consumer uses. The report noted that, at the current rate of consumption, the known reserves in the Cook Inlet area, assuming no additional supply is brought on-line, would experience difficulties in delivering peak daily natural gas requirements within the next several years, and average daily requirements by the end of the decade; and

WHEREAS, cessation of industrial uses could ensure adequate supplies of natural gas to meet peak requirements for an additional six years; and

WHEREAS, estimates of future natural gas discoveries available at the time of the report could extend the time before deliverability becomes an issue another five to 18 years, assuming no industrial use beyond 2009; and

WHEREAS, current industrial uses of natural gas, such as the Agrium Urea Plant and the Conoco-Phillips Kenai Liquid Natural Gas (LNG) export facility provide steady high-paying jobs and a firm economic base for Southcentral Alaska; and

WHEREAS, a shortfall of natural gas might force Alaska to import, rather than export, LNG for the first time since the late 1960's; and

WHEREAS, new contracts signed by Enstar for the purchase of natural gas will result in an 11 to 12 percent increase in the price to Anchorage residents; and

WHEREAS, one of the keys to economic growth in any area is a steady supply of affordable energy; and

WHEREAS, although additional discoveries of natural gas have recently been made in Cook Inlet, extending the availability of natural gas, a larger known reserve of natural gas would provide assurance that future demand could be met and also provide a long-term supply source that would provide greater economic development opportunities in the region; and,

term supply source that would provide greater economic development opportunities in the region; and,

WHEREAS, there are enough proven reserves of natural gas on the North Slope to provide sufficient gas for a spur line to Anchorage from either the Canadian Highway route proposal or the All-Alaska Liquid Natural Gas proposal; and

WHEREAS, the under-explored geologic formations on the North Slope are considered North America's best chance for large, accessible on-shore and near-shore natural gas reserves; and

WHEREAS, the estimated construction time of a gas pipeline with a spur to Anchorage is approximately six years;

NOW THEREFORE, the Anchorage Assembly resolves:

Section 1. The Municipality of Anchorage recognizes the importance of fueling Alaska's economic engine through a steady supply of affordable energy; and

Section 2. The Municipality of Anchorage supports development of a natural gas pipeline with a spur line to Anchorage to meet future energy needs; and

Section 3. Providing natural gas for consumption in Southcentral Alaska should be part of any pipeline proposal; and

Section 4. The Municipality of Anchorage urges the 2004 Alaska State Legislature, Governor Frank Murkowski, and Alaska's Congressional Delegation to take actions necessary to expedite the building of a natural gas pipeline to meet Southcentral Alaska's long-term energy needs.

PASSED AND APPROVED by the Anchorage Assembly this ____ day of _____, 2004.

Chairman

ATTEST:

Municipal Clerk

Content Information**Content ID :** 001435

A Resolution of the Municipality of Anchorage Supporting
Title: Development of a Natural Gas Pipeline with a Spur Line to
 Anchorage to Meet Future Energy Needs

Author: katkusja**Initiating Dept:** MMStaff

A Resolution of the Municipality of Anchorage Supporting
Description: Development of a Natural Gas Pipeline with a Spur Line to
 Anchorage to Meet Future Energy Needs.

Keywords: Resolution, Development, Natural Gas Pipeline, Future Energy
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Date MM/DD/YY: 01/20/04

Workflow History

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AllOtherARWorkflow	1/8/04 2:15 PM	Checkin	katkusja	Public	001435
MMStaff_SubWorkflow	1/8/04 2:16 PM	Approve	katkusja	Public	001435
MuniManager_SubWorkflow	1/8/04 6:01 PM	Approve	leblancdc	Public	001435
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CONSENT AGENDA – RESOLUTIONS FOR ACTION-OTHER

2004 JAN -9 AM 10:22

M.L.A.