



"Serving Western Legislatures"

RESOLUTION 98-5

North Slope Natural Gas Project

**Urging U. S. Congress to Support and Encourage the Development and Completion
of a Plan to Transport and Market
the Vast Alaska North Slope Natural Gas Reserves**

Introduced by the Energy and Minerals Committee

WHEREAS, there are proven natural gas reserves of at least 26 trillion cubic feet located on the North Slope of Alaska; and

WHEREAS, there may be as much as 100 trillion cubic feet of natural gas yet to be located on Alaska's North Slope; and

WHEREAS, finding a market for the gas is as crucial to its development and use as is economically transporting the product to the market; and

WHEREAS, marketing the vast reserves in their natural markets in Asia can be expected to reduce the U.S. trade imbalance; and

WHEREAS, developing and profitably marketing the contents of the North Slope natural gas reserves would further benefit the United States of America, the State of Alaska, the leaseholders of the reserves and ensure viable employment for many Americans and related support businesses throughout North America; and

WHEREAS, the project would include construction of a transportation pipeline, a liquefied natural gas (LNG) production facility, LNG carrying ships and appropriate shipping facilities in an ice-free port; and

WHEREAS, in addition to the expected project expenditures in Alaska there is an opportunity to source up to \$10 billion and thousands of jobs in the Lower 48 states; and

WHEREAS, the State of Alaska, in conjunction with the communities to be impacted by the pipeline/LNG project have developed a fiscal certainty program to help reduce the known and estimated costs of the project, particularly during the early stages of operation; and

WHEREAS, it is the intention of CSG-WEST to support a stable and appropriate fiscal and regulatory environment to ensure a Trans-Alaska Natural Gas Pipeline/LNG Project would have an opportunity to become economically attractive;

NOW, THEREFORE, BE IT RESOLVED that CSG-WEST (Council of State Governments-WEST, Serving Western Legislatures) encourages the U. S. Congress to work closely with the Alaska Congressional Delegation, the State of Alaska, the project sponsors, the holders of permits and the leaseholders of the North Slope Natural Gas reserves, to identify and implement federal initiatives which would best facilitate the advancement of an economically attractive Trans-Alaska Natural Gas Pipeline/LNG Project, in a manner beneficial to the People of the United States of America, and the People of the Alaska; and

BE IT FURTHER RESOLVED that CSG-WEST respectfully requests the Governor of Alaska to identify and submit to the U.S. Congress fiscal terms and definitions which would best facilitate the advancement of a Trans-Alaska Natural Gas Pipeline/LNG Project.

***ADOPTED BY THE CSG-WEST EXECUTIVE COMMITTEE ON SEPTEMBER 22, 1998
ASSEMBLED IN ANNUAL MEETING IN ANCHORAGE, ALASKA.***