

Sponsor: Assemblymember Kvalheim
Adopted: 10/19/04

**MATANUSKA-SUSITNA BOROUGH
RESOLUTION SERIAL NO. 04-151**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY SUPPORTING
THE CONSTRUCTION OF A NATURAL GAS PIPELINE TO DELIVER NORTH SLOPE
NATURAL GAS TO THE LOWER 48 STATES WITH A SPUR LINE TO DELIVER
NATURAL GAS TO SOUTH-CENTRAL ALASKA.

WHEREAS, natural gas supplies for South-central Alaska are currently coming from sources in Cook Inlet that are projected to start declining by the year 2007; and

WHEREAS, many residents of the Matanuska-Susitna Borough rely upon natural gas to supply their homes and businesses with a reliable and clean source of energy; and

WHEREAS, declining Cook Inlet natural gas reserves will mean higher electrical and gas prices for two-thirds of Alaska's population; and

WHEREAS, the Matanuska-Susitna Borough Assembly supports the responsible development of the state's natural resources while safeguarding the surface rights of private property owners and taxpayers; and

WHEREAS, the North Slope of Alaska currently has over 37 trillion cubic feet of proven reserves of natural gas; and

WHEREAS, Governor Frank Murkowski and numerous state legislators have expressed support for constructing a natural gas pipeline that includes delivery to the people of South-central Alaska; and

WHEREAS, the Alaska State Natural Gas Development Authority was created by a ballot initiative in the 2002 General Election that was overwhelmingly supported by the residents of the Matanuska-Susitna Borough and the people of Alaska; and

WHEREAS, the Alaska State Natural Gas Development Authority, as part of its mission, has taken the lead in developing a plan to build a spur line to Cook Inlet from any gas pipeline that is developed from the North Slope; and

WHEREAS, a spur line to South-central Alaska will provide the potential for a petrochemical industry and many other industrial and high-quality job opportunities for current and future residents of the Matanuska-Susitna Borough; and

WHEREAS, the development of a natural gas pipeline from the North Slope to South-central Alaska offers a solution for energy supplies, job opportunities, and reduced private property impacts.

NOW THEREFORE BE IT RESOLVED, that the Matanuska-Borough Assembly supports the efforts of the Alaska Natural Gas Development Authority (ANGDA) to develop a spur line from Glennallen to Sutton for the purposes of delivering natural gas from the North Slope of Alaska; and

BE IT FURTHER RESOLVED, that the Matanuska-Borough Assembly encourages Governor Frank Murkowski and the Alaska Legislature to support the efforts of ANGDA to develop a spur line as a long-term viable solution for the energy needs of South-central Alaska.

ADOPTED by the Matanuska-Susitna Borough Assembly this 19 day
of October, 2004.

/S/

JIM COLVER, Deputy Borough Mayor

ATTEST:

/S/

MICHELLE M. MCGEHEE, CMC, Borough Clerk

(SEAL)

PASSED UNANIMOUSLY: Woods, Allen, Colberg, Kvalheim, Simpson,
Cover, and Vehrs

MATANUSKA-SUSITNA BOROUGH INFORMATION MEMORANDUM IM No. 04-278

SUBJECT: Support for constructing a natural gas pipeline to deliver North Slope Natural Gas to the Lower 48 States to include the construction of a spur line to deliver natural gas to South-central Alaska

AGENDA OF: October 19, 2004

ASSEMBLY ACTION:

MANAGER RECOMMENDATION: Present to the assembly for consideration.

APPROVED BY JOHN DUFFY, BOROUGH MANAGER:

John Duffy

Route To:	Department/Individual	Initials	Remarks
1	Originator	D	
	Public Works Director	DS	
2	Planning and Land Use Director	MWO	
	Community Development	DS	
	Emergency Services Director		
3	Finance Director	BW	10/8/04
4	Borough Attorney	JA	
5	Borough Clerk	M	10/12/04

ATTACHMENT(S): Fiscal Note: Yes ; No X
 Resolution Serial No. 04-151 (OPP)
 Anchorage Economic Development Corporation
 Newsletter (OPP)

SUMMARY STATEMENT: The demand for natural gas in south-central Alaska is predicted to exceed current supplies by about 2010. The demand for natural gas in the Lower 48 states is also on the rise. In order to meet expected demand and support continued economic growth, new sources of natural gas are needed both in south-central Alaska and in the continental United States. One means of meeting

the expected demand of both markets is by accessing the large supplies of natural gas on the North Slope. Constructing a natural gas pipeline from the North Slope to the Lower 48 states and constructing a spur line to south-central Alaska would meet future demand, support continued economic growth, and create new employment and business opportunities.

The attached resolution, brought forward by Assemblymember Kvalheim, supports the construction of a natural gas pipeline and spur line to south-central Alaska.