

Alaskans Will Reap Benefits if Prepared

by Sen. John Cowdery

Alaska is closer than it's ever been to seeing the proposed North Slope natural gas pipeline become a reality. This mega project will create thousands of new construction jobs, a plentiful source of affordable energy for local communities and finally make it possible for new industries to be established in our state.

Old sourdoughs like myself remember how the Trans Alaska Oil Pipeline brought many good things and a few not so good things to Alaska. The wealth to modernize the state and create the Permanent Fund are just some of the positive impacts that project made. However, it also placed an incredible strain on local governments and the state's infrastructure.

When the oil pipeline was under construction local governments were totally unprepared for what was about to hit them. A shortage of skilled construction workers in Alaska unleashed a flood of opportunists from all parts of the world that stretched local governments to the breaking point. Affordable housing, adequate transportation, schools and public safety were all in short supply, yet there was plenty of crime and social upheaval. These issues arrived before additional tax revenue rolled in to address them.

The Alaska Legislature is determined to prevent that from happening again. When lawmakers passed the Stranded Gas Development Act, the law providing a legal framework for a gas pipeline, we also created a Municipal Advisory Group to help local governments and unincorporated boroughs prepare for what lies ahead of them. The group recently received a new socio-economic report from Information Insights with recommendations for the Alaska Department of Revenue on how to prepare communities for the gasline.

I would like to highlight two issues. First, we need to start training Alaskans in the construction trades. Second, we need to start planning the roads, ports and railroad facilities it's going to take to move the 732 miles of steel pipe, thousands of workers, and thousands of tons of materials it will take to pull off one of the largest construction projects the world has ever seen.

The report found the construction phase will create 9,300 new jobs over a three and a half year period. To have as many Alaskans as possible in these high paying jobs, local governments will need to spend \$6.6 million, on top of \$20 million in federal funds over the four years prior to, and at the beginning of the project to train an adequate workforce. It's a wise investment. A trained and ready workforce stems the tide of out-of-state workers and reduces their impact on local governments.

Throughout my political career I have fought for vocational-technical training because it's so important to the success of our resource development based

economy. This time let's make sure as many Alaskans as possible get their hands dirty building this pipeline.

The study also found the state's transportation infrastructure is woefully unprepared for construction to begin. The oil industry is concerned about the number of roads and bridges that are unable to withstand steel pipe weighing 600 pounds per foot.

Based on information provided by the Alaska Department of Transportation, Information Insights reports it will cost at least \$90 million dollars to upgrade the Dalton Highway, about \$30 million more for bridges between Delta Junction and Fairbanks and another \$50 million dollars for improvements to the Alaska Highway.

The price tag comes to a staggering \$284 million dollars to pay for all the road, bridge and port upgrades. There are other transportation corridors not included in the report, like the Port of Anchorage and the Alaska Railroad, which will also need upgrades to safely move gasoline construction materials.

These projects should be funded without delaying other transportation projects not directly associated with the gasoline. This challenge is not getting adequate attention from the general public and could prove to be one of the most difficult issues to pulling the gasoline project together.

I have just scratched the surface of the socio-economic issues that come with a gas pipeline. Now is the time Alaskans must start thinking about, and preparing for, another pipeline that promises to change Alaska forever.

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