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Joint Committee on Natural Gas Pipelines

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Committee Hears Updates on Gas Pipeline Issues

(Anchorage) – The Joint Committee on Natural Gas Pipelines heard testimony today from federal and state government representatives on the construction and regulation of a natural gas pipeline.

“This is a great opportunity for the committee to bring all of the interested parties together and discuss every aspect of the construction and regulation of a natural gas pipeline, both public and private issues,” said Sen. John Torgerson (R-Kasilof), chair of the Joint Committee on Natural Gas Pipelines. “These hearings also allow the committee to come up to speed on changes that have occurred since the legislative session ended.”

Staff from the offices of Alaska’s U.S. Congressional delegation brought the committee up to date on the status of federal approval of and permitting for construction of a gas line. Sen. Frank Murkowski, Sen. Ted Stevens and Rep. Don Young all support a gas line that would allow Alaskans access to their natural gas resources. With the confirmation of new staff for the U.S. Department of Interior recently completed, the delegation believes the pieces are in place to allow the permitting process to move forward.

Randy Mathura from the Federal Energy Regulatory Commission (FERC) Office of Energy Projects and Antony Scott of the Regulatory Commission of Alaska (RCA) both testified on how a gas pipeline through Alaska would be regulated.

Ed Small with Cambridge Energy Research Associates outlined the current and future natural gas market conditions in North America. He expects natural gas prices to remain stable at \$3 to \$3.25 over the next several years, and outlined a window of opportunity from 2007 to 2010 for north slope natural gas to be successfully introduced into the Lower 48 market.

Wilson Condon, commissioner of the Alaska Department of Revenue, and Pat Pourchot, commissioner of the Alaska Department of Natural Resources, provided the committee with progress reports on studies their departments are conducting on state ownership of a natural gas pipeline and how to maximize the benefits to Alaskans when bringing the state’s natural gas to market.

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John Goll, Alaska Regional Director of the U.S. Mineral Management Service (MMS), briefed the committee on the process MMS will use to evaluate any permit application for an off-shore pipeline through federal waters. William Britt, state pipeline coordinator with the Joint Pipeline Office provided information to the committee on the status of gas pipeline right-of-way applications.

The final presenters to the committee were members of the Alaska Highway Natural Gas Policy Council. They brought the committee up to date on the council's activities, and discussed how the council and the committee could work together and share information in the future.

Following the presentations, the committee heard public testimony on the proposed natural gas pipeline.

Wednesday the committee will hear from representatives of the oil and gas producers as well as advocates for the proposed pipeline routes. Hearings will begin at 9 a.m. in the basement conference room of the Anchorage Legislative Information Office, 716 W. Fourth Ave. The committee will take public testimony starting at 4:30 p.m.

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