

Sponsor Statement

CSSCR 10 (RES)

Sale of Natural Gas to Power Data Centers

“A Resolution requesting the commissioner of natural resources to make a determination about the state’s royalty share of North Slope natural gas, and expressing the legislature’s support for sale of a portion of Alaska’s North Slope natural gas for electrical generation to power data centers within the North Slope Borough.”

Netricity, L.L.C. is proposing to purchase Alaska’s royalty natural gas from the North Slope. The purpose is to build a large power plant on the North Slope that would generate electricity for large data centers servicing the Internet worldwide.

Since 1995 Internet data transmission volumes have been doubling approximately once every three months. The Netricity plan would be linked to the Internet via the existing Alaska United fiber-optic cable system from Prudhoe Bay to Valdez, Anchorage, Seattle and the North Pacific fiber-optic cable. With its location and access to the North Pacific Cable this facility would access North American and Asian Internet markets and straddle communications between the two continents.

Such a project would bring employment to Alaska for the construction and operation of an Internet facility. Under the current scope, Netricity is expected to build production modules in Nikiski and Anchorage.

This Resolution creates added value to our resources; job creation in the construction and operation of the facilities; training of operation; and the overall economic diversification created by the proposed project. SCR 10 promotes Alaskan hire and Alaskan development.

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