

Alaska State Legislature Majority News



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CONTACT: Joe Balash 907-465-4797, Henry Webb 907-465-2095

U.S. Senate Committee to Hear Natural Gas Ideas

(Juneau)—Legislative Budget & Audit Committee Chairman Sen. Gene Therriault, Vice Chairman Rep. Ralph Samuels and State Division of Oil & Gas director Mark Myers are to testify in front of the U.S. Senate Committee on Energy & Natural Resources Jan. 24 on the potential for commercializing gas hydrates in Alaska.

Myers will present the practical and technical issues related to getting Alaska gas hydrates to U.S. gas consumers in substantial quantities at the earliest possible date. Gas hydrates are trapped methane molecules abundant in low temperature and high pressure environments, most notably in the permafrost zones of Alaska and deep waters of the Gulf of Mexico. When freed, gas hydrates yield 164-180 times their volume in free gas.

The Alaskans were among 32 groups selected from 120 applicants to present proposed solutions to the predicted U.S. shortage of natural gas. Energy & Natural Resources Committee Chairman Pete V. Domenici announced the conference last month and invited the public to submit written proposals to address what is expected to be a significant gap between natural gas supply and demand in coming years.

The Alaska trio will recommend reauthorization of the Methane Hydrate Research and Development Act and funding of research and field testing under that Act.

Currently, 59 billion cubic feet per day (bcfd) of natural gas is consumed daily in the United States. The Energy Information Administration estimates that domestic demand for natural gas will increase to 84 bcfd in 20 years. In addition to 35 trillion cubic feet (tcf) of known gas reserves, Alaska has an estimated 590 tcf of gas hydrates onshore and more than 32,000 tcf of gas hydrates offshore, which could supply a much greater percentage of domestic demand for generations to come, assuming gas hydrates can be commercialized.

Research facilitated by the 2000 Methane Hydrate Research and Development Act indicates that Alaska's North Slope gas hydrates may become a stable source of natural gas in as little as five to ten years. Still, on-going research needs to be completed, additional research initiated and an assessment drilling program undertaken. However, the authorizations and appropriations contained in the 2000 Act are set to expire in October 2005.

The Senate Energy Committee's bipartisan gas conference is scheduled to begin at 1 p.m. in Hart 216 in Washington, D.C.

The Alaska State Legislature has designated LB&A as the principal committee for handling contracts under the Stranded Gas Development Act.

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