

Unknown

From: Kari Spencer [kari_spencer@gov.state.ak.us]

Sent: Friday, April 13, 2007 10:13 AM

To: Todd Palin

Subject: AM07 Draft Agenda

Hi Todd, here is the draft agenda for NGA Summer Meeting. The Governor asked me to send this to you. Kari.

ROSTON 00142

10/14/2009

Chris

-----Original Message-----

From: Melissa M. Stepovich [mailto:melissa_stepovich@gov.state.ak.us]

Sent: Friday, April 13, 2007 10:47 AM

To: John W Bitney; Christopher G Clark

Subject: [Fwd: Alliance Juneau Update for April 13]

I assume you receive these updates, if not enjoy~

Melissa

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Alliance Juneau Update

4.13.07

ExxonMobil told House Resources that despite some legislative improvements to House Bill 177 (the Alaska Gasline Inducement Act, or "AGIA"), the bill overall still doesn't provide sufficient flexibility for prospective license applicants to put forward meaningful proposals. Rather than prescribing specific requirements, the state should lay out general goals in the bill and allow applicants flexibility in addressing them.

Martin Massey, company spokesman, praised changes that tighten criteria for selection of a licensee, allow producers to oppose rolled-in tariffs on pipeline expansions and make the \$500 million state grant a bid option rather than a requirement.

Senate Judiciary, meanwhile, focused on issues of judicial review and appeal rights of unsuccessful applicants for the gas pipeline license envisioned by AGIA. Appeals could delay final award of a license. The Senate's version of AGIA is SB 104.

Under terms of the current Senate version of the bill, the legislature must pass a resolution approving the administration's award of a license.

Committee members offered differing views. Sen. Bill Wielechowski said consideration of a bill, rather than a resolution, would reduce appeal options for an unsuccessful licensee. Sen. Lesil McGuire endorsed use of a resolution. Sen. Gene Therriault said the Legislature should set out requirements in the bill and leave licensing to the administration as part of its normal executive branch duties.

At a Judiciary hearing Thursday on SB 104, the Alaska Support Industry Alliance testified that

upstream fiscal issues need to be resolved before North Slope producers will make commitments for space in a gas pipeline. "The Alaska Gasline Inducement Act puts too much emphasis on mitigating the short-term financial risks incurred by pipeline builders and does too little to address the much longer-term risks of gas shippers," the Alliance said. "For the sake of Alaska's future, the Alliance urges you not only to determine what terms aren't constitutional, but also to find a mutually beneficial solution that is."

Alliance Juneau Updates are a service to members & friends of the Alaska Support Industry Alliance. Material is provided by Alaska Legislative Digest and Alliance staff. For more information, contact mbradner@gci.net.