Unknown

From:

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Sent:

Monday, April 16, 2007 5:07 PM

To:

Governor Sarah Palin (GOV sponsored); Todd Palin; Rutherford; Marty K (DNR); Patrick S

Galvin; Irwin; Tom E (DNR); Balash; Joseph R (GOV)

Subject:

Producer concerns

Listening to the producers and hearing what they are presenting to other groups I offer the following:

They are picking around the edges of things that may sound unfair and exclusive to cover up their most cherished goal: reduced oil and gas taxes locked in for 45 years. (they told the AGC 55 years last week.)

They raise the issues of how a plan can be changed if conditions change, even if they were forseeable. The amendment I gave the committee which allows for improvements will cover that. I understand it is going in to the house and senate cs.

On timelines, you can't give on that or there will be no accountability. I think the legislature understands that.

On allowing general objectives rather than specific criteria, I think the legislature understands that means going back to SGDA and puts the state in a compromised negotiating position.

The one I think they are getting some traction on is the issue on access to a coordinator and expedited permitting. People are wondering why we wouldn't expedite governmental processes for any project. Wendy King

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claimed that under agia, they wouldn't even be able to do any field work for a project that wasn't under agia. I don't know if that is true but should be addressed.

It seems that making the coordinator available to any project wouldn't harm agia much compared to everything else.

The ten year tax freeze would still be in place and if they want to go beyond that with their "resource terms" it will be bare naked to everyone that this is just an attempt to extort the state.

If someone wants to build a bullet line for example, as enstar talked about today, and they weren't working under agia, it wouldn't hurt to expedite that project either. They basically said today that a canadian project is so far off that they will have to consider a bullet line.

I think making the coordinator available to any project would help keep all the rest in place.

Paul fuhs

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