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Natural gas pipeline forum

Ted Stevens talked about bringing Alaska gas to the Midwest. He talked about the oil pipeline and its connection to the gas pipeline and the shortage of gas in the eastern part of the country. He talked about the changes in the United States Senate. There were many new senators who wouldn't support a trans-Alaska gas pipeline.

Bob Ward talked about the financial aspects of Arctic gas. Any gasline in Canada must be 51% equity ownership. They are relying heavily on the Canadian banking system, but they believe that much of the interim financing will come from the United States. They have not said that they will not use federal monies to finance the system.

John talked about the agriculture land in Interior Alaska and the potential for fertilizer use. It is the rarest commodity of petrochemicals in the United States at that time. He talked about the economic feasibility of having natural gas in Fairbanks.

Senator Stevens said Alaska can and will have an impact on which gas line is chosen in Washington, D.C. He believes we will benefit more with the two pipeline approach.

General Bennett said he could not guarantee the ownership of royalty gas by the state of Alaska. John talked about an under lift agreement in the Prudhoe Bay field. The state could maintain its gas underground until it could be used. He said that it has been proposed that the Petroleum Four Reserve would be transferred to the Dept. of the Interior and operated as an energy reserve without Alaska participating. Ted Stevens talked about the federal government changing the status of Pet Four to a National Petroleum reserve instead of a naval reserve. Alaska has not been successful in getting a portion of the return from Pet Four. Commissioner Chuck talked about the high potential for oil and gas in the Arctic Wildlife Refuge. Ted Stevens said it is a refuge and the question is if they want to face the environmental litigation that would happen if they are opened up. He believes that state lands and the Native lands should be opened up first. He talked about wanting El Paso to take their gas line through Fairbanks and down through the rail belt instead of through forest service land. Senator Stevens responds to a question about how to utilize a portion of the gas in Interior Alaska and could the state participate. Senator Stevens said yes, he believes the state could expand their railroad.