

Alaska's Energy Report: Where We Are Today

*APA Annual Meeting
Sept 12, 2007*

Relevant Questions

- What is our current energy situation?
- What are the economic implications of this situation?
- What are the necessary actions to ameliorate this situation?
- How do we make these happen?
- How do we get from where we are today, to where we want to be in 10 years?

Where we are

- Energy costs more
- Supply of Natural gas in Cook Inlet diminishing.
- Not much incentive for additional exploration
- North slope gas availability a long time away

Anchorage Chamber of Commerce
Southcentral Energy Task Force

Some Preliminary Findings

- Using Alaska's energy resources to meet the direct need of Alaskans must be a priority action.
- There is no integrated, comprehensive energy policy in Alaska and no one empowered to develop one.
- Cook Inlet natural gas deliverability has fallen below what is necessary to maintain the future of the Railbelt economy
- Cook Inlet energy prices are growing at high rates and likely to continue such for some time

Southcentral Energy Task Force

Some Preliminary Findings (cont.)

- High energy prices and reduced gas deliverability are likely to damage the economy of Southcentral Alaska and have already damaged rural economies.