

# U.S., Canada pipeline treaty may expedite gas

WASHINGTON, D.C.—The pipeline transportation treaty which was initialed yesterday by the negotiating teams of the governments of the United States and Canada should assist each nation in deciding how best to transport its large natural gas supplies in the Arctic, according to W. W. Brackett, Vice Chairman of Alaskan Arctic Gas Pipeline Company.

"This treaty will help permit each country to decide on proposals for the transportation of gas from the Mackenzie Delta of Canada and the North Slope of Alaska based on their real merits and economics," Mr. Brackett said in a prepared statement.

"It should remove from the

decisions, consideration of unfounded concern that the national interest or security of either nation would be impaired by discriminatory actions or interventions affecting movement of oil and gas supplies."

The treaty provides for the pipeline shipment of oil and gas by each nation across the territory of the other without taxation of the products, discriminatory treatment or interference with transportation.

"This is consistent with a long history of mutually advantageous transportation by water, rail, highway and pipeline involving both nations," Brackett stated.

"These transportation

arrangements, involving such projects as the St. Lawrence seaway, have never resulted in any situations adversely affecting the security of either country."

He pointed out that about 40 percent of the natural gas supplies and most of the petroleum supplies which are produced in western Canada and consumed in eastern Canada are moved by pipeline across United States territory.

Arctic Gas is seeking government authorizations for a pipeline across Alaska and Canada for the shipment of Alaskan gas to U.S. consumers from coast to coast, as well as gas from the Canadian Arctic.

"By clearly showing that some

of the unfounded concerns which have been raised about the Arctic Gas applications have no substance, we are hopeful that the treaty will help expedite the final government decisions," Brackett concluded.