



Improve your stake in Alaska. Support the Gasline.

This year the State of Alaska — and its citizens — are being asked to resolve many important issues which could have a significant bearing on Alaska's future growth. Among them: Employment, energy supplies and the economic benefits to be derived from development of your energy resources.

We at Northwest Alaskan Pipeline Company are committed to working with the people of Alaska, the State Government and the Legislature to help resolve these issues as they relate to construction and operation of the Alaska Highway Pipeline.

Our pipeline is not only an Alaskan project, but it is also a national project — the largest and most important energy venture in America's history. We believe that most of you understand this, and that you are in favor of gasline construction both for its inherent economic and employment benefits to the State of Alaska and for the vital role it will play in establishing a gas energy corridor from Alaska directly to eastern and western markets in the lower 48 states.

Basic Benefits to Alaska

Alaska has much to gain from the timely completion of the Alaska Highway Pipeline. Total royalties and taxes generated by our project will exceed \$20 billion. As many as 10,000 pipeline jobs will be created during the 1980-1983 construction period, and housing, communications, transportation and other supporting services will provide significant additional employment and revenues. Further, the gasline will stimulate increased development of Alaska's gas reserves, provide for the distribution of gas to communities along the pipeline route, and will permit future development of in-state industrial and manufacturing facilities.

These are only the basic benefits that will come from pipeline construction. With your support, there can be much more.

The Alaska Legislature currently is considering two proposals that would help to assure the benefits from the Alaska Highway Pipeline for the State and its people and provide them an attractive investment opportunity.

Financing Authority

The first proposal would create a Financing Authority which would act as a vehicle

for the issuance of \$1 billion in tax-exempt revenue bonds in a manner that would not utilize — or adversely affect — the State's credit. The bonds would be purchased by large financial institutions, such as casualty insurance companies.

State funds will not be invested. The bonds will be backed solely by the revenue from the project. For its services, the Financing Authority would receive \$1,250,000 annually.

Further, by providing this kind of financial assistance, the Legislature will be helping Alaska achieve the earliest realization of pipeline benefits.

Sharing in the Profits

The second proposal calls for approval of a resolution to create a committee to study the various ways in which the State, its municipalities, regional and village corporations, other organizations and individual citizens can participate directly as investors in the pipeline project.

We have proposed a plan whereby the State and its people would be provided with a rate of return greater than that realized by lenders.

We must submit a definitive financial plan to the U.S. Federal Energy Regulatory Commission early in 1979. Therefore, we are asking the Legislature to act on these proposals during the current session so that Alaska and its citizens may not be denied a chance to receive the greatest possible benefits from this project.

Our Commitments to Alaska

In return for Alaska's support we have made a number of commitments which will further enhance employment and economic opportunities in this State. Among them:

Local Hire: We intend to work with the State to implement Alaska's local hire policy to ensure that all qualified Alaskans have an opportunity to be hired for pipeline construction jobs and that local community residents

will be given first preference for permanent pipeline operation and maintenance jobs.

Business Opportunities: Alaskan businesses and organizations will be given the opportunity to compete for contracts for goods and services required by the pipeline.

Petrochemical Development: We will actively support the State's efforts to develop an economically viable in-state industry based upon Prudhoe Bay natural gas and associated liquids.

Other In-State Uses: Subject to federal approval, we will pay for the installation of pipeline taps to provide access to Alaska's gas for use as desired by the State and local communities. We've even agreed to make the waste heat from one of our compressor stations near Delta available for drying grain.

Through commitments like these, we pledge to build the best possible pipeline for Alaska — one that will provide the greatest long-term benefits, while keeping to a minimum any adverse impact on communities and the environment along the pipeline route.

Why We Need Your Support

Northwest Alaskan Pipeline Company and its partners are confident that, together, we and the people of Alaska can safely build the gasline in a timely manner and at a reasonable cost. But the key word in all of this is "together."

The financial strength of the U.S. gas companies participating in this pipeline does not begin to match that of the major oil companies involved in the Alaska crude line. Compared to those giant corporations, we are modest firms indeed.

The Alaska Highway Pipeline is a massive undertaking. It carries a \$10 billion price tag, and we expect financial support from many sources: The natural gas companies, banks and insurance companies, the Prudhoe Bay producers, suppliers, and, hopefully, the State of Alaska.

Passage this session of the financial legis-

lation described above would not cost the State a dime, but it will go a long way toward instilling confidence in our project among other members of the investment community. Simply put, Alaska can speed the overall financing of the project by reassuring investors that those who will benefit the most — namely, Alaska and its citizens — want the project and are solidly behind it.

Your support is essential to the timely construction of the pipeline. Without it, the project could still be built, but it would most certainly be delayed. How long? We don't know, but any delay is bound to have a negative effect on Alaska's economy.

To help you better understand the financial plan we have submitted to the State and the Legislature, we have prepared an information brochure that explains the plan and, hopefully, answers most of your questions. We invite you to use the coupon printed below to obtain your free copy.

Alaska's economy needs the gas pipeline. We, as the builder, need Alaska's support. If you believe the Alaska Highway Pipeline is important to your future as a job-seeker, taxpayer or potential investor, we would encourage you to study our plan and to make your views known to your elected state officials.

Mail to: Information Brochure
Northwest Alaskan Pipeline Company
310 K Street, Suite 500
Anchorage, Alaska 99501

I think the Gasline is important to Alaska's future. Please send me a copy of your information brochure:

Name: _____
Address: _____
City: _____ State: _____ Zip: _____

NORTHWEST ALASKAN PIPELINE COMPANY

