



FEDERAL ENERGY REGULATORY COMMISSION

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FERC Cites Substantial Progress in Sixth Alaska Pipeline Report to Congress

The Federal Energy Regulatory Commission (FERC) today submitted its "Sixth Report to Congress on the Progress Made in Licensing and Constructing the Alaska Natural Gas Pipeline," as required by the Energy Policy Act of 2005.

The 12-page document outlines the major developments that have occurred since the February 2008 report. In this report, FERC recognizes that the Denali project, a partnership of BP and ConocoPhillips, announced its plans for a gas pipeline and began the pre-filing process, and that the state of Alaska has completed the process of selecting TransCanada Alaska Company, LLC, and Foothills Pipe Lines, Ltd., affiliates of TransCanada Corporation, as the preferred applicant under the Alaska Gasline Inducement Act (AGIA).

"We have seen substantial progress on development of the Alaska pipeline over the past six months, more progress than in any other reporting period," FERC Chairman Joseph T. Kelliher said. "This competition for the project is a positive indication of serious interest by major industry players. This should all be resolved, ultimately, in the energy and financial marketplaces, and FERC stands ready to act once that takes place."

Yet Kelliher cautioned that reviewing multiple projects throughout the complete federal regulatory process "would greatly challenge the Commission staff, the other agencies on the federal interagency team, and state agencies. Clearly, everyone must work together with the shared goal of getting a project built."

Since the Fifth Report was submitted to Congress on Feb. 19:

- BP and ConocoPhillips announced formation of Denali, a pipeline project proposal to build and operate an Alaska natural gas pipeline system. Denali filed a request to start the pre-filing process, a request that was approved by the Office of Energy Projects on June 25.
- Gov. Sarah Palin of Alaska announced that the TransCanada Alaska would be the preferred applicant for the pipeline project under AGIA. The state Legislature in August approved legislation to issue the AGIA license to TransCanada Alaska and on Aug. 27, Gov. Palin signed the legislation to issue the license to TransCanada Alaska.
- The Alaska Gasline Port Authority (AGPA), sponsor of an Alaskan LNG project that contemplates delivering Prudhoe Bay gas to Valdez by pipeline, has added new partners and the state is assisting AGPA with project development.

FERC's Sixth Report to Congress, along with the five previous status reports, is accessible on the FERC website, at <http://www.ferc.gov/industries/gas/indus-act/angtp/reports.asp>.

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