

Introduced by:
Date:
Action:
Vote:

Mayor
04/03/07
Adopted
6 Yes, 2 No, 1 Absent

**KENAI PENINSULA BOROUGH
RESOLUTION 2007-023**

**A RESOLUTION SUPPORTING THE APPLICATION OF CONOCO-PHILLIPS AND
MARATHON OIL COMPANY FOR A SHORT-TERM EXPORT AUTHORIZATION
FOR LIQUEFIED NATURAL GAS**

WHEREAS, the Kenai Peninsula Borough has long supported the operations of all the major industrial facilities in the Borough that are dependent on natural gas, including the Conoco-Marathon Kenai Liquefied Natural Gas (LNG) facility; Agrium Kenai Nitrogen Operations facility; Tesoro Alaska Refinery, and BP-GTL facility; and

WHEREAS, ConocoPhillips Alaska Natural Gas Corporation and Marathon Oil Company have applied to the United States Department of Energy for a two-year authorization to export LNG from the Kenai facility commencing on April 1, 2009; and

WHEREAS, ConocoPhillips Alaska and Marathon Oil Company have a current long-term export authorization which terminates on March 31, 2009; and

WHEREAS, the Kenai LNG facility provides 186 direct and indirect jobs resulting in \$15.9 million per year contributed to the Kenai Peninsula in personal income in addition to nearly \$1 million in borough property taxes and over \$47 million in state tax and royalty revenues; and

WHEREAS, the impacts to the Kenai Peninsula Borough and its residents if the natural gas industrial users discontinue operations could result in the loss of many quality high-paying jobs, lost or diminished gas supplies from shut-in wells, lost emergency gas supplies during peak utility usage, and the loss of millions of dollars directly injected into the local economy; and

WHEREAS, ongoing operation of these facilities will further ongoing exploration and development of natural gas in the Cook Inlet in order to meet demand;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

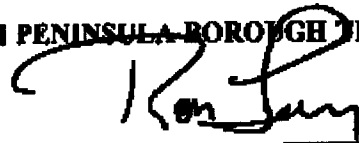
SECTION 1. That the Kenai Peninsula Borough Assembly strongly supports the continued operation of all major natural gas industrial facilities on the Kenai Peninsula; and

SECTION 2. That the Kenai Peninsula Borough Assembly supports the application of ConocoPhillips Corporation and Marathon Oil Company for a short-term authorization to export LNG from their Kenai facility.

SECTION 3. That the Kenai Peninsula Borough Assembly respectfully requests the United States Department of Energy, Office of Fossil Energy to approve the short-term LNG export authorization.

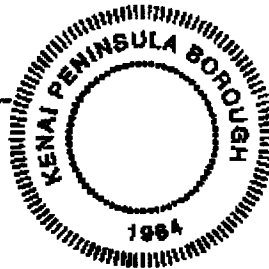
SECTION 4. That this resolution takes effect immediately upon its adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 3RD DAY OF APRIL 2007.



Ron Long, Assembly President

ATTEST:


Sherry Biggs, Borough Clerk

Yes: Gilman, Knopp, Merkes, Sprague, Superman, Long

No: Germano, Martin

Absent: Fischer