

Introduced by: Mayor
Date: 10/22/02
Action: Adopted as Amended
Vote: 8 Yes, 0 No, 1 Absent

**KENAI PENINSULA BOROUGH
RESOLUTION 2002-132**

**A RESOLUTION SUPPORTING THE APPROVAL OF THE KENAI KACHEMAK
PIPELINE RIGHT-OF-WAY LEASE APPLICATION**

- WHEREAS,** Kenai-Kachemak Pipeline, LLC (KKPL) has been formed as a subsidiary of Marathon Oil Company and UNOCAL to design and construct a 33 mile long natural gas transmission pipeline to connect the existing natural transportation system to newly discovered natural gas reserves between Ninilchik and Clam Gulch on the western shores of the Kenai Peninsula; and
- WHEREAS,** KKPL has applied with the State of Alaska Department of Natural Resources (DNR) for a Right-of-Way lease, which represents one of the final steps toward commencement of construction of the new pipeline; and
- WHEREAS,** DNR started a thirty day public comment period on October 14, 2002 that will end on November 14, 2002; and
- WHEREAS,** natural gas represents a comparatively clean and inexpensive source of energy for the residents, businesses and industries of the Kenai Peninsula Borough; and
- WHEREAS,** the KKPL project will transport up to 120 million cubic feet of natural gas per day, which equals approximately 40 billion cubic feet of delivered natural gas annually; and
- WHEREAS,** the KKPL project offers an excellent opportunity to develop previously uneconomical or undeveloped gas fields and will further facilitate new natural gas exploration efforts in the southern Kenai Peninsula; and
- WHEREAS,** the KKPL project provides the potential of new and future development of residential and business natural gas services in regions and communities of the Kenai Peninsula Borough that have not had economical access in the past to supplies of natural gas for home and business use; and
- WHEREAS,** it is in the best interests of the citizens of the Kenai Peninsula Borough that new sources of natural gas be developed in an environmentally sound manner that balances environmental concerns with the project economics; and
- WHEREAS,** based on the Alaska Coastal Management Plan consistency review completed by the State of Alaska Department of Governmental Coordination on July 23, 2002, it is stipulated within the DNR Commissioner's Analysis and Proposed Decision and Action, ADL 228162, that the KKPL pipeline, as proposed, will not conflict with state statutes, regulations, nor (DNR) departmental policy and that the Right-of-Way Lease agreement will include stipulations to ensure protection of the public, fish, wildlife, and their environment;

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

SECTION 1. That the Kenai Peninsula Borough concurs with the findings contained within the State of Alaska, Department of Natural Resources, Commissioner's Analysis and Proposed Decision and Action, ADL 228162, approving the Kenai Kachemak Pipeline Right-of-Way lease application and strongly supports the approval of the Kenai Kachemak Pipeline Right-of-Way lease.

SECTION 2. That copies of this resolution shall be provided to DNR Commissioner Pat Pourchot, the State Pipeline Coordinator's Office, Senator John Torgerson, Senator Jerry Ward, Senator Georgianna Lincoln, Representative Ken Lancaster, Representative Mike Chenault, Representative Carl Morgan and Representative Drew Scalzi.

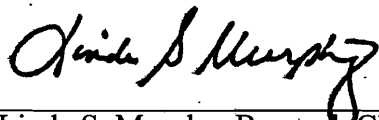
SECTION 3. This resolution shall become effective immediately upon adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 22ND DAY OF OCTOBER, 2002.



Pete Sprague, Assembly President

ATTEST:



Linda S. Murphy, Borough Clerk

