

Developing Alaska Natural Gas
The Producers' Perspective
Historical Efforts

Resource Development Council

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Discovery of Prudhoe Bay, Early Studies



- **Prudhoe Bay discovery in 1968**
- **Gas discovered in Mackenzie Delta in 1971**
- **Gas to Lower-48 studies began immediately**

ANGTS History



- **Natural gas shortages in mid-1970's**
- **Alaska Natural Gas Transportation Act passed by Congress**
- **Canada / U.S. route selected**
- **Gas market conditions deteriorated**

Potential LNG Project



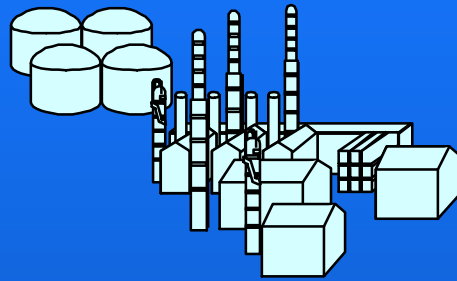
- **Proposal to build an LNG project for East Asia, 1980's**
- **Exxon, BP and ARCO initiated joint LNG work, 1990's**
- **Large volumes difficult to place in market**
- **Lower cost supplies for East Asia in abundance**

Potential GTL Project



- **Recent proposals for Gas-to-Liquids conversion**
- **Gas transformed into high quality liquids**
- **Liquid batched through existing TAPS**

Summary



GTL Conversion



LNG



L-48 Pipeline

Industry has spent over \$1 Billion

Historical Lessons

- **Commercially viable project will require a combination of:**
 - **Reduced costs**
 - **Favorable market conditions**
 - **Improvements in fiscal terms and fiscal certainty**
- **Permitting process may have significant impact on project timeline**

