

We Support an Alaska Gas Pipeline

Senate Majority Supports Building a Gas Pipeline Project for Alaska Communities, Built by Alaskans

For over 50 years, Alaska has worked to bring our North Slope gas to market, and the Senate Majority remains committed to making that vision a reality. A gasline project will strengthen energy security across the Railbelt and generate revenue that supports Alaska's schools, roads, and public safety for generations. Our goal has always been secure and affordable energy for Alaskans who also deserve to see the maximum benefit from the resources entrusted to them under our constitution.

The Senate has passed two versions of the Governor's legislation, each designed to give the state and its investors the fiscal stability needed to move forward while addressing Glenfarne's requests. Our disagreement has never been about whether to build this pipeline. It has always been about building Alaska's pipeline responsibly and protecting Alaska's long-term fiscal future, while also honoring Alaska's ownership of the gas, utilizing our Alaskan workforce, and prioritizing the delivery of gas to Alaskans first.

When the Administration, the project developer, and members of our federal delegation came before the Legislature in late 2025 and early 2026, the message was clear. The Legislature needed to step aside and let the project move forward, and tax relief was not identified as a milestone required to do so. That changed this spring, when the tax structure was suddenly presented as critical to the project's success. The Governor's tax relief bill was not introduced until March 20, more than halfway through the regular session, leaving little time for the analysis and modeling that a decision of this magnitude demands, especially without the full financial picture.

Through the regular and special sessions, the Senate held extensive hearings in our Resources, Finance, and Conference Committees. Alongside the tax relief Glenfarne sought, the Senate added protections for Alaska, including timeline assurances, liability safeguards, closing a tax loophole, and Alaska project labor and apprenticeship guarantees. The Governor declined to support either version, despite the hours the Majority spent negotiating with Glenfarne and the Administration. That is why we are where we are today.

Alaska LNG project from a policy glance:

- Both Senate bills granted the roughly \$1 billion-a-year property tax break Glenfarne requested.
- Glenfarne holds the permits and approvals to break ground and has repeatedly stated it can build the pipeline now without legislation.
- The project's estimated cost has risen from \$45 billion three months ago to \$65 to 70 billion today.
- Alaska has already invested close to \$1 billion in failed gas line projects, including TransCanada, and new information indicates the state could be left on the financial hook with the current partnership if Glenfarne backs out.
- The Governor called a third special session on this issue but has still not produced a new bill.

Alaska has options for the near term. While the AK LNG project continues to be evaluated, the state can act now to strengthen Railbelt energy supply security and reliability. Known, proven gas reserves in Cook Inlet remain undeveloped, and the state should ensure that gas leases are accessed and producing gas, whether by the current leaseholder or by an operator ready to develop it. Additionally, the Regulatory Commission of Alaska should promptly reconsider Enstar's proposal to expand gas storage, giving utilities the critical additional storage capacity during the winter months.

The bottom line. The Senate Majority wants a pipeline built. The Railbelt's energy needs are urgent, which is exactly why the state must get this decision right, not through haste and hidden numbers. Whatever legislation passes will shape Alaska's energy security and fiscal stability for decades, and it must rest on sound modeling and reliable financial projections the Legislature does not yet have. We will not commit Alaska to a deal we cannot fully see. The responsibility now is on Glenfarne and the Administration to use the rest of this year to bring the Legislature the detailed numbers this decision demands. These are Alaska's resources, and they must work first and foremost for Alaskans. Getting it done right is more important than politics.