

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Regulations Governing the Conduct
of Open Seasons for Alaska Natural
Gas Transportation Projects

Docket No. RM05-1-000

SUPPLEMENTAL NOTICE OF TECHNICAL CONFERENCE AND AGENDA

(November 29, 2004)

Take notice that as previously announced on October 26, 2004, the Federal Energy Regulatory Commission will host a technical conference in this proceeding on December 3, 2004 in Anchorage, Alaska. The Commission has initiated a rulemaking to establish regulations governing the conduct of open seasons for capacity on any Alaska natural gas transportation projects. These regulations are required by Section 103(e) of the Alaska Natural Gas Pipeline Act of 2004, enacted into law on October 13, 2004.

The Commission's Notice of Proposed Rulemaking (NOPR) was issued in the above referenced Docket on November 15, 2004. The NOPR contains a preamble explaining the background of the proposed rule, several specific questions about issues related to the proposed rule, and specific proposed regulatory text. Written comments on the NOPR are required to be submitted by December 17, 2004. The Commission must issue regulations within 120 days of enactment of the Act, that is, by February 10, 2005. The Commission is now providing its agenda for the technical conference. All interested parties and the public are invited to attend.

Conference Information

Date : December 3, 2004

Time : 10:00 a.m. to 4:00 p.m. Alaska Time
(2:00 p.m. to 8:00 p.m. Eastern Standard Time)

Location : Municipality of Anchorage, Loussac Library
Assembly Chambers
3600 Denali Street
Anchorage, Alaska 99503

Summary of Proposed Regulations

The full text of the Notice of Proposed Rulemaking is available through the Commission's eLibrary under Docket No. RM05-1. The proposed regulations first set forth the purpose and applicability of the proposed rules and certain definitions. That purpose is to prescribe rules for the conduct of any open season on any Alaska natural gas transportation project. Any applicant for a proposed Alaska natural gas transportation project must include a showing in its application to construct a project that it has conducted an open season for capacity allocation that fully complies with the requirements of the rules.

The proposed rule requires that a public notice of an open season be issued by the project sponsor at least 30 days prior to the commencement of the open season through methods including postings on Internet websites, press releases, direct mail solicitations, and other advertising. Next, the proposed rule lists the information about a proposed project that any notice of open season for an Alaska natural gas transportation project must contain. The proposed rule states that an open season for an Alaska natural gas transportation project must remain open for a period of at least 90 days. Finally, the proposed rule requires that capacity allocated as a result of any open season shall be awarded without undue discrimination or preference of any kind.

Technical Conference Agenda

The Agenda for the technical conference is attached. In order to more efficiently use the limited time available, there will only be oral presentations at this conference; no power point presentations or use of other visual aids are being considered. Speakers should limit their prepared remarks to 10 minutes or less and be prepared to discuss the issues listed below with the Commission and their fellow panelists.

The Commission will first receive comments from a panel of Alaska Elected Officials. Then the Commission Staff will present a short summary of the Notice of Proposed Rulemaking. Next the Commission will hear comments from panels representing Potential Project Sponsors, Potential Project Shippers, and Other Agencies or Affected Enterprises. Lastly, the Technical Conference will close with an Open Forum featuring responses or questions based on previous panels and any additional points of view.

The Notice of Proposed Rulemaking includes five questions which the Commission expects will be addressed in detail in each interested party's written comments submitted by December 17th. However, as a guide to the discussions at the technical conference, panelists should be prepared to discuss the following general topics regarding the Notice of Proposed Rulemaking:

- Explain how the proposed rule meets or does not meet the requirements of the Alaska Natural Gas Pipeline Act.
- When should FERC oversight of capacity allocation activities of potential project sponsors begin? What capacity allocation activities happen before an open season under the rule is undertaken?
- Are there certain capacity allocation issues/factors that are specific to the type of project sponsor, whether producer owned or independent pipeline owned; in-state shipper/user or lower-48 market shipper; producer/marketers or end-users; downstream transporter, upstream gathering/processing, local utility regulators ?
- Should potential project sponsors be required to conduct and release results of Alaska market need studies before capacity is allocated? Should potential project sponsors be required to conduct and release results of Alaska infrastructure studies before capacity is allocated?

Further Information

Transcripts of the conference will be immediately available from Ace Reporting Company (202-347-3700 or 1-800-336-6646) for a fee. They will be available for the public on the Commission's eLibrary system seven calendar days after FERC receives the transcript. For information about this proceeding, interested persons may go to the Commission's website, www.ferc.gov, and search under the docket number for this proceeding, Docket No. RM05-1. Materials for the conference will also be posted on the Commission's monthly calendar page for this event. Also, materials already provided to the Commission Staff by certain interested parties have already been placed in the record of this proceeding and are available electronically through the Commission's eLibrary under Docket No. RM05-1.

Additionally, Capitol Connection offers the opportunity for remote listening of the conference via the Internet or a Phone Bridge Connection for a fee. Interested persons should make arrangements as soon as possible by visiting the Capitol Connection website at <http://www.capitolconnection.gmu.edu> and clicking on "FERC." If you have any questions contact David Reininger or Julia Morelli at the Capitol Connection (703-993-3100).

Any questions or comments about this technical conference may be directed to: Edwin Holden, 202-502-8089, Edwin.Holden@ferc.gov or Richard Foley, 202-502-8955, Richard.Foley@ferc.gov.

Magalie R. Salas
Secretary

**Technical Conference on Regulations Governing the Conduct of Open Seasons for
Alaska Natural Gas Transportation Projects**

Agenda

10:00 AM **Opening Remarks - Pat Wood, III, Chairman,
Federal Energy Regulatory Commission (FERC)
Nora Mead Brownell, Commissioner, FERC
Joseph T. Kelliher, Commissioner, FERC
Suedeen G. Kelly, Commissioner, FERC**

10:15 AM **Panel I – Alaska Elected Officials
Introductions: Pat Wood, III, Chairman, FERC**

- Alaska Governor Frank H. Murkowski
- Alaska Senator Lisa Murkowski
- Alaska State Senate President Gene Therriault
- Alaska State Representative Ralph Samuels

11:30AM **Overview of the Proposed Rule for Regulations Governing the Conduct
of Open Seasons for Alaska Natural Gas Transportation Projects
Introduction : Robert Cupina, Deputy Director, Office of Energy
Projects, FERC**

Edwin Holden, Staff Counsel, FERC

11:50AM **Panel 2 - Comments on Proposed Rules by Potential Project Sponsors
Moderator, Robert Cupina**

Panelists:

- Tony Palmer, Vice President, TransCanada PipeLines Ltd.
- Richard Guerrant, Vice President, ExxonMobil Gas
- Ken Konrad, Senior Vice President, BP Exploration Alaska Inc.
- Joe Marushack, Vice President, ANS Gas Development,
ConocoPhillips Alaska
- Ron Brintnell, Director of Business Development, Enbridge Energy
Company, Inc.
- Tom Irwin, Commissioner, Alaska Dept. of Natural Resources

**1:15PM Panel 3 - Comments on Proposed Rules by Potential Project Shippers
Moderator, Robert Cupina**

Panelists:

- Dave Anderson, Vice President International, Anadarko Petroleum Corporation and Mark Hanley, Manager Public Affairs/Alaska, Anadarko Petroleum Corporation
- Tony Izzo, President, Enstar Natural Gas Company
- Rick Mott, Vice President, Exploration and Land, ConocoPhillips Alaska
- Bill Corbus, Commissioner, Alaska Department of Revenue

2:15PM Panel 4 - Comments on Proposed Rules by Other Agencies, Affected Enterprises or General Public; Moderator, Robert Cupina

Panelists:

- Harold Heinze, Chief Executive, Alaska Natural Gas Development Authority (ANGDA)
- Jeff Walker, Regional Supervisor Field Operations, Department of the Interior Minerals Management Service
- Colleen McCarthy, Deputy State Director, Energy, Bureau of Land Management
- David Houseknecht, Research Geologist, U.S. Geological Survey (traditional reserves)
- Timothy Collett, Geologist, U.S. Geological Survey (hydrate resources)

3:15PM Open Forum – Moderator: Robert Cupina

- § Responses/questions to previous discussions
- § Additional points of view

4:00PM Closing Remarks / Adjourn ; Commissioners/Robert Cupina