



Statements and Speeches

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THE ALASKA HIGHWAY GAS PIPELINE

Remarks by the Honourable Mitchell Sharp, Commissioner of the Northern Pipeline Agency, to the Canada-United States Energy Issues Seminar of the Washington Council on International Trade, Seattle, March 23, 1981

As I indicated in my brief opening remarks this morning, I am delighted to have the opportunity to participate in this seminar on Canada-United States energy issues and honoured to have been asked to serve as general co-chairman for the occasion.

Having been involved in one capacity or another with many energy issues affecting our two countries over a period of some three decades, I must confess that I resisted the temptation to cast a wide net in my remarks this afternoon only with considerable difficulty.

However, since others have been or will be dealing with many particular energy issues of concern to Canada and the United States during the course of today's conference, I will confine my remarks to the Alaska Highway Gas Pipeline System. That in itself is certainly a broad enough topic, involving as it does not only the largest co-operative energy project ever undertaken by two nations but also a project that in so many aspects is central to the kind of challenge with respect to energy that confronts our two countries at the present time.

As with so many other major undertakings of the past, this great project has faced its full share of problems and the usual derision of doubters and detractors. The prolonged deadlock in Congress of 1977-78 over U.S. natural gas pricing policy, the extended time required to resolve a number of complex regulatory policy issues, and the earlier stalemate between the sponsor of the pipeline in Alaska and the Prudhoe Bay gas producers all served to cause delays. As a result the scheduled completion of the entire project has been set back nearly three years — from the original date of January 1983, to late 1985.

To put the case in perspective, let me point out that from the very beginning no one who had any close involvement had any illusion that seeing this project through to its successful completion would be an easy task. How could it be otherwise, considering the very immensity of the undertaking, the massive challenge of privately financing it, and the critical need at every stage for the close co-ordination of the effort on both sides of the border of the two federal governments and their regulatory agencies, dozens of state and provincial governments, and the multiplicity of private interests that provide the real driving force behind the venture?

The fact of the matter is that, notwithstanding the difficulties and delays to which I referred earlier, substantial progress has been made in getting on with the job. Indeed, construction has already begun on the southern segments of the project, which com-

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