

WASHINGTON

April 27, 1982

Dear Mark:

Thank you for your letter of April 23 regarding the financing of the Alaska Natural Gas Transportation System (ANGTS).

We share the Government of Canada's concerns about recent developments which could delay significantly completion of the pipeline. The United States Government remains fully committed to the Alaska Natural Gas Transportation System based upon private financing, and believes it would be unfortunate if its construction were subject to another, perhaps indefinite postponement.

As you know, this Administration has taken an active role in reducing legal and regulatory impediments that have complicated efforts in the private sector to arrange the necessary financing. Upon submission of the waiver of law to Congress October 15, 1981, President Reagan reaffirmed this government's basic commitment to ANGTS when he stated,

"My Administration supports the completion of this project through private financing, and it is our hope that this action will clear the way to moving ahead with it. I believe that this project is important not only in terms of its contribution to the energy security of North America. It is also a symbol of U.S.-Canadian ability to work together cooperatively in the energy area for the benefit of both countries and peoples."

Through the cooperative efforts of the Administration and Congress, the waiver was approved December 15, 1981.

The Honorable  
Mark MacGuigan, P.C., M.P.,  
Secretary of State for  
External Affairs of Canada,  
Ottawa