

FOR RELEASE #06-038  
February 28, 2006

**ALASKA AND PRODUCERS AGREEMENT GOOD NEWS FOR ALASKA HIGHWAY PIPELINE PROJECT**

WHITEHORSE – The Yukon government welcomes the news that the State of Alaska and Alaskan North Slope producers have reached agreement on a natural gas pipeline contract for the Alaska Highway Pipeline Project.

After nearly two years of intense negotiations, this announcement clears a major hurdle and also represents a major step towards the construction of the Alaska Highway Pipeline Project.

“This is good news,” Energy, Mines and Resources Minister Archie Lang said. “The Yukon government has been working hard over the past few years in anticipation of this announcement, which significantly moves the project forward.”

Once approved by the Alaska legislature, the agreement between Alaska and the proponents of the project (ExxonMobil, British Petroleum, and ConocoPhillips) will represent a significant step forward in the process.

The next step would see the producers begin the project definition phase, spending upwards of \$1 billion on field work and preliminary engineering.

It is anticipated that the producers will now turn their attention to the Government of Canada to ensure Canadian regulatory certainty. The Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians, Jim Prentice, has already indicated that Ottawa will move quickly to provide regulatory certainty for the Alaska Highway Pipeline Project.

In preparation for an Alaska Highway pipeline, the Yukon government has developed a pipeline strategy, and continues to work with First Nations, gas producers, pipeline companies and the general public on pipeline awareness and preparedness.

The Yukon government has also been working with Alaska, British Columbia, Alberta and the federal government to ensure Yukon’s interests are met, and that Canadian regulatory certainty is achieved.

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