

**GOVERNOR'S AGRIMUM TASK FORCE
MEETING MINUTES
April 22, 2005
Kenai Convention & Visitor's Bureau**

The Governor's Agrium Task Force was called to order at 9:00 a.m. by Co-Chair Bill Popp.

Attendees: Pat Cowan-Wells Fargo Board; George Ford-Past manager, Agrium plant; Bill Popp-KPB Oil & Gas Liaison, Task Force Co-chair; Jim Carter; Gary Superman-KPB Assembly President; Roy Wells-President Kenai Chamber of Commerce; Lisa Parker, Agrium; John Coston-Agrium Employee representative; Judene Van Cleave-Director of Nikiski chamber of commerce.

Kenai Staff: Susan Davis-Office of the Governor; Diana Spann-Regional Manager, DOLWD Peninsula Region; Pascale Dilley-DOLWD, Rapid Response staff

Attendees by Teleconference:

Bill Noll-Director of Communications, office of the Governor; Konrad Jackson-staff to Rep. Kurt Olson; Sue Wright-staff to Rep. Chenault; Shawna Harper, Corine Geldhof, and Sandy Burgess-DOL

Bill Popp called meeting to order.
Minutes from the last meeting were reviewed.

No Presentations were made.

New Business:

A memo from the Governor was provided to members. In the memo, the Governor identified the administration's responsibilities to the task force.

Dave Carey distributed the HEA white paper on Healy Clean Coal Project. George stated that the white paper needs to show that it's HEA's report. Bill Popp requested that we have the HEA attorney fax an official copy with HEA logo and information on it to identify the origin of the white paper. Dave said he would take care of it. Susie will fax a copy to Ron Miller.

Gary Superman stated he understood the Governor to request there be local support for re-opening the Healy Coal Plant by way of resolutions from local government. Dave Carey and Pat Cowan added that they thought the Governor requested submission to legislature of local resolutions on re-opening the Healy Coal Plant.

The Project Task List was reviewed. Corrections and suggestions were noted.

Bill explained that Will Nebesky with Div of Oil & Gas will be providing a brief recap of DNR's RIK analysis.

Bill requested a schedule of Oil & Gas renewal dates, but no promises have been made to him on providing them.

Mike Menge is expected to give the task force an update on the Jack up rig project as well as the Marathon tariff issues updates.

Regarding borough relief: Gary asked for written requests from Agrium for what they want in tax relief. Lisa requested to ask producers their opinions.

Regarding developing a time table for issues/projects: Anyone with dates for the timelines should get them to Susie before the next meeting.

Dave Carey asked about the long term future of Oil & Gas – is that a function of this task force: Is there long term outlook for the task force.

Bill Popp reiterated that the original invitation letter from the Governor indicate that the task force needs to focus on how to generate Oil & Gas activity long term. We will work on a timeline for short term solutions at this time, then move on to long term solutions.

Roy Wells asked what needs to be done prior to legislature adjourning.

Bill Popp mentioned that Gary Superman was in Juneau a couple of days and it appears they will be adjourning on time. HB 71 is in the third reading, and anticipates it will go to the Senate next week.

Sue Wright stated that 4/27, 3:30 pm is the hearing and that she fully expects the bill to pass out of committee.

Regarding RIK gas: Lisa said that Agrium would not be requesting RIK at this time as they are in the RFP process. Responses to the RFP are expected on May 13, 2005. She requests this item to be removed from the task list. After some discussion it was agreed that since item #3 basically already addresses this, it will be okay to remove this item from the project list.

Regarding: Identify current available gas in Cook Inlet, Bill Popp asked Will Nebesky, DNR, to provide information on this item. Bill said he didn't get a clear picture from Will on if this would work as it is proprietary information. He said we should know more at the next meeting.

Agrium Update – Lisa Parker:

Plants are operating well, 50,000 tons at ammonia plant and 50,000 tons of urea. They are continuing to work on the plant shut down. TAA has been approved, and this was received very well by people at plant.

Agrium Employee Update - John Coston:

Notice of the TAA is a big relief of employee concerns. Employee seminars and employee meeting information are on the Agrium web site. Agrium will host a

seminar on the Economic Forecast for the Kenai Peninsula on 4/27/05, 6:30 pm at the Challenger Learning Center. Presenters will be Neil Fried and Brynn Keith.

Dave Carey indicated that he feels it is very important to remain focused on the human component of this shut down.

Bill Popp requested copies of the TAA recommendation letters from the City of Kenai and Nikiski.

Judene Van Cleave asked if there is a contractor component of TAA. Shawna Harper is working on obtaining a more complete list and will follow up with individual contractors/vendors to see if they would be eligible to apply for TAA. Lisa Parker indicated she will get a list to Shawna of those contractors who purchase in excess of \$100,000 from Agrium and found this comes to about 37 in state vendors.

Next meeting: May 5th at 2:00 pm at the Peninsula Job Center, Forget Me Not Room.