Alaska-Alberta Relations

PROFILE
Capital: Juneau
Population: 738,432 (2015 estimate)
Language: English
Government: Bicameral state government
Head of Government: Governor Bill Walker (Independent)
First Term (term expires in January 2019) Two consecutive term limits
Currency: U.S. Dollar (USD)
$1 CAD = $0.77 USD (July 2016)
Key Industry Sectors: oil and gas, tourism, commercial fishing, mining, forestry
Unemployment Rate: 6.7% (May 2016)
Main Cities: (2015 estimates)
- Anchorage: 298,695
- Fairbanks: 32,325
- Juneau: 32,756
- Sitka: 8,863
- Ketchikan: 8,197

DID YOU KNOW?
- The Alaska Permanent Fund is a trust fund similar to Alberta’s Heritage Savings Trust Fund. It was established in 1976 to generate perpetual revenues for present and future generations of Alaskans.
- As of July 2016, the Fund’s value stood at approximately US$53 billion, providing an annual dividend to all citizens based on a formula that ensures the Fund’s continued growth.

RELATIONSHIP OVERVIEW
- Alberta-Alaska relations were close in the 1970s and 1980s, based on common northern issues and similarities between Alberta’s Heritage Fund and Alaska’s Permanent Fund.
- The Canadian Association of Petroleum Producers has identified five Alaska companies that supply equipment, parts, and services being used in the development of Alberta’s oil sands.

SHARED ORGANIZATIONS
- Council of State Governments (CSG) National
- CSG West
- Pacific NorthWest Economic Region (PNWER)
- Western Legislative Forestry Task Force
- Western Governors’ Association (WGA)
- The Northern Forum (headquartered in Anchorage).

ENERGY/NATURAL GAS
- Alaska’s largest industry is oil and gas.
- In 2015, Alaska was fourth in the nation (excluding offshore) for crude oil production, with production reaching 483,000 barrels per day.
- The majority of Alaska’s oil production comes from the North Slope region, and is transported via the Trans-Alaska Pipeline System (TAP) to Cook Inlet on the state’s south coast for shipment.
- Alaska has five operating refineries, two of them in the north, providing fuel to crude oil operations.
- Because Alaska’s demand for oil is low relative to production, most of the crude produced in the state is sent to refineries in Washington and California.
- Alaska has 6.8 trillion cubic feet of dry natural gas reserves.
- Alaska ranks third in the U.S. for gross withdrawals of natural gas. However, because the state’s demand for natural gas is low, and the lack of natural gas infrastructure to reach markets, Alaska’s marketable natural gas production is constrained. The state produced 940 million cubic feet per day of marketable natural gas in 2015.
- Estimates suggest Alaska’s North Slope fields could contain 30-35 trillion cubic feet of stranded natural gas resources, but they remain stranded due to lack of infrastructure.
Alberta's Domestic Exports to Alaska, 2006-2015

Alberta's Average Exports to Alaska (2011-2015)

- The Kenai liquefied natural gas (LNG) export facility was the first LNG export terminal in the U.S., beginning operations in 1969.
- Natural gas accounts for about half of Alaska’s electricity generation, with hydroelectric generation supplying more than one-fifth of electrical production in the state.
- Because many rural Alaskan communities lack adequate grid access, Alaska ranks second in the U.S. in its share of its electricity that is generated from petroleum liquids.

AGRICULTURE AND FORESTRY
- Alberta’s 2015 agri-food exports to Alaska totalled $1.4 million. Top Exports included prepared animal feed ($741,000), live hogs ($296,000), and Pork ($106,000).
- Forestry is important to Alaska’s economy, especially in the southeast region.
- Recent years have been difficult for the forestry industry in Alaska. Pulp mill closures, and a drop in Pacific Rim demand, hurt the state's wood products sector.
- Alaska legalized marijuana for medical and recreational use in 2014.
- The state estimates that the legalization of marijuana will generate between $5.1 and $19.2 million in cannabis tax revenues for 2016.

TRADE AND INVESTMENT
- From 2011-2015, Alberta’s exports to Alaska have averaged approximately $186 million annually.
- In 2015, Alberta’s exports to Alaska were valued at $336 million, primarily composed of oil and gas, machinery, iron and steel products, and vehicles (not rail).

EMERGING OPPORTUNITIES
- Forest products
- Energy products
- Industrial/agricultural machinery
- Metal products (basic, fabricated)
- Transportation equipment and tourism
- Chemicals and allied products

TRANSPORTATION
- Alaska seeks Alberta’s support for the possibility of connecting the state to the rest of the continent by rail.

ARCTIC NATIONAL WILDLIFE REFUGE (ANWR)
- ANWR, located in the northeastern corner of Alaska, is the largest wildlife refuge in the U.S., with approximately 19.6 million acres (roughly the size of South Carolina). ANWR shares a border with the Yukon Territory.
- The U.S. federal government currently prohibits oil and natural gas development in the ANWR. Before oil and gas development can proceed, Congress and the President need to authorize leasing and development.
- Opening ANWR to oil and gas exploration and production remains a controversial issue. In 2008, then President George W. Bush unsuccessfully urged Congress to overturn the offshore drilling ban. President Barack Obama opposes drilling in ANWR.
- It has been projected that if ANWR is opened to oil development, production from ANWR would reach 900,000 barrels per day by 2025.

FISHING
- Alaska's fishing and seafood industry is one of the state’s largest private industry employers.
- Alaska was the top U.S. seafood producer in 2014, exporting US$3.28 billion to other countries.
- In the late 1990s, several factors, including decreases in international fish prices, hurt the seafood industry in Alaska. However, recent increases in price, driven mostly by increased demand in southeast Asia, have helped reinvigorate this important sector of Alaska’s economy.
- Alaska is restoring its once-depleted salmon runs by employing a “conservation-first” fisheries management system.

RECENT VISITS/MISSIONS
- January 2015: Alana DeLong, MLA Calgary Bow, participated in a PNWER state capital visit to Juneau, Alaska to meet with state legislators.

DIPLOMATIC REPRESENTATION
- His Excellency Bruce Heyman is the U.S. Ambassador to Canada in Ottawa.
- The Canadian Ambassador to the U.S. in Washington, D.C. is David MacNaughton.
- The Canadian Consulate General responsible for Alaska is located in Seattle, Washington. James Hill is the Consul General.
- Tom Palaia is the U.S. Consul General in Calgary, Alberta.
- Gitane De Silva is Alberta’s Senior Representative to the U.S. in Washington D.C.

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