- 1. **Do I need to worry about losing heat and electricity this winter?** No. The Working Group utilities have gas needs contracted until 2027 and beyond. There is no immediate concern of a shortfall in the near term.
- 2. **Didn't we just go through this in 2009?** The Alaska State Legislature made significant efforts to address potential gas shortages in the late 2000s. The Cook Inlet Recovery Act, passed in 2010, was successful in attracting Hilcorp and other, smaller producers to the Inlet after the major companies sold off their assets. However, the fact remains that Cook Inlet is an aging basin that Southcentral Alaskans have relied on to meet all of Cook Inlet user needs for nearly seven decades.
- 3. **So, what is different now from the last time we faced a natural gas shortage?** The potential shortage we faced in 2009 was a matter of attracting new investment aimed at accessing additional volumes of gas within Cook Inlet. At this point, the economically recoverable natural gas reserves may not be sufficient to attract additional investment and development in Cook Inlet. And even if there was a sufficient incentive, this could be a very short-term and costly fix, only providing a few years of additional supply.
- 4. OK, we have a problem. What is the solution?

The Working Group has been working on this issue for months and is looking at a variety of options. Potential solutions include contracting for gas with remaining Cook Inlet producers, importing gas from outside of Alaska, and, in the longer term, utilizing North Slope gas.

- 5. What are the utilities doing to prepare for a worst-case scenario? At this point, we are working to avoid even an outside chance of a gas shortage. This is why we must be proactive and open to all solutions that meet our customers' needs.
- 6. What can I do to prepare my family and/or business for potential shortages? Stay informed on the topic and look for opportunities to engage with your community and elected officials as this issue is discussed. Plus, it is always smart to identify ways to save energy within your household to lower your electricity and heating costs.
- 7. Sounds like the perfect time to wean ourselves off natural gas and go all-in on renewable energy. Can we do that? Renewables are absolutely going to be a part of our energy mix in the future. However, given the infrastructure and technology required, renewables cannot meaningfully displace natural gas demand for electric generation in Alaska for many years to come.
- 8. Why are we in this predicament? Seems like we should have seen this coming a long time ago and done more to prepare. This generational shift in Cook Inlet's energy landscape has loomed for years. Our team is working on solutions that will be ready in time to meet potential shortfall in 2027. Cook Inlet has sufficient gas to meet Railbelt needs in the near term.

- 9. **Can't we just get that Alaska LNG project going and use that gas instead?** Given our current constraints, even if all permitting and financing was in place, construction would not be completed in time to have pipe-ready gas in 2027.
- 10. **Could legislative or regulatory fixes turn this situation around?** Laws and regulations can't change the geophysical reality of Cook Inlet. But support from all stakeholders, including elected and appointed officials, will be critical to ensure a smooth and timely transition to a new natural gas source.
- 11. What will it cost us consumers to keep the lights and heat on if we can no longer use Cook Inlet gas? This will be assessed in more detail in the second phase of the study that should be completed by the end of this year. Costs will vary widely depending on the project and the availability of state or federal financial support. It is important to remember we will not experience an across-the-board rate increase because the rates consumers pay will be a mix of existing Cook Inlet gas prices and the newly sourced gas costs.
- 12. I've lived here for 50 years and always used natural gas. Are those days really over?

 No. Natural gas will continue to be an integral component of the Railbelt's energy mix for the foreseeable future. We have relied on gas sourced from a single basin since 1961. Cook Inlet's successful legacy paved the way for tremendous progress in our state. And because of our climate, Alaska is the most energy-intensive state in the nation, so we need reliable energy; that's not changing any time soon. We are now at a time where we need to pivot toward new natural gas sources for Alaska.
- 13. How do I keep track of what is going on with this issue? Who will keep Alaskans updated on the latest developments? Keep an eye out for news coverage and follow along at www.enstarnaturalgas.com.