

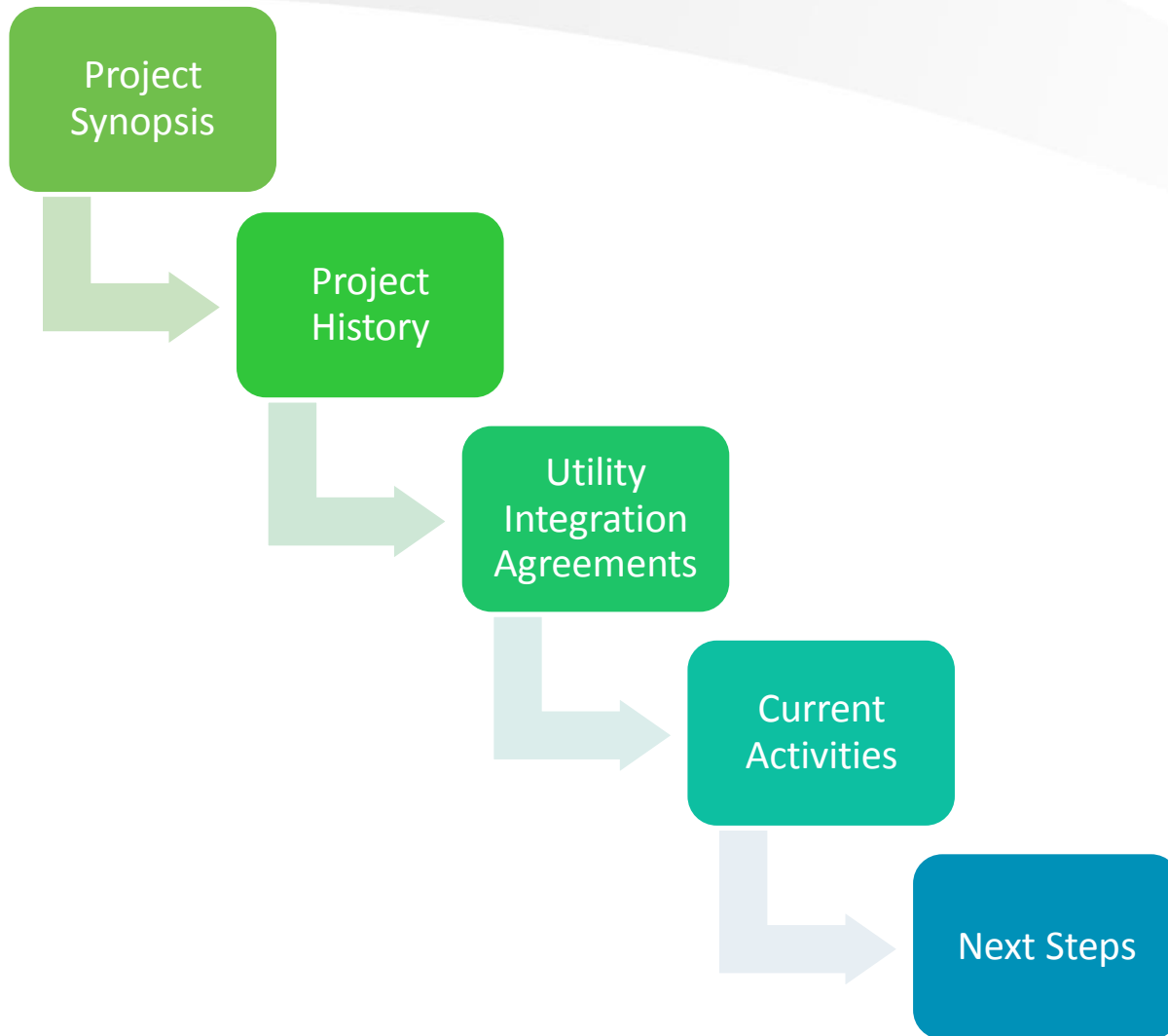


Interior Energy Project Legislative Update: House Energy Committee

January 30, 2018



Presentation Summary



Project Synopsis

Interior Energy Project PURPOSE AND GOALS

Interior Alaska

“ . . . to bring low-cost energy to as many residents and businesses of Interior Alaska as possible, as quickly as possible ... ”

Stabilize the Economy

Help Improve Air Quality

Interior Energy Project PURPOSE AND GOALS

Statewide

Provide “Proof of Concept” for an alternative, more sustainable Model of State Development Support

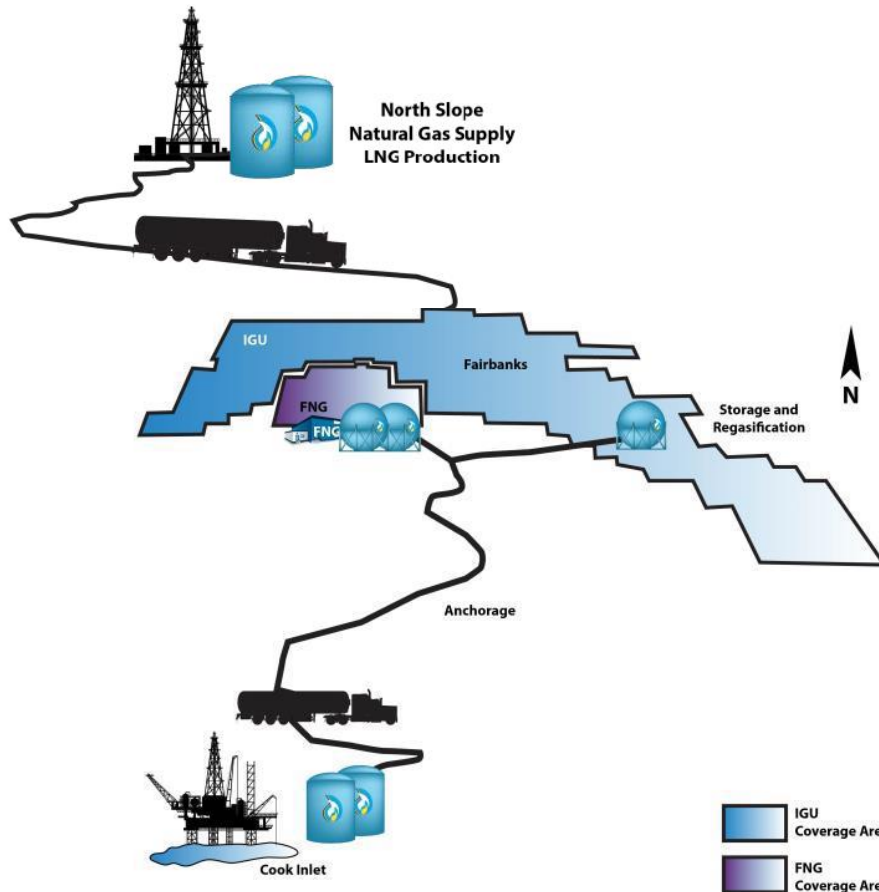
Blended Finance

- Grant
 - Low Grant Component
- Loan
 - Large Loan Component
 - Allowance for project-favorable terms
- Bonds
 - Market-based
 - State-backed but Project Supported

Recognizing that over 100 Alaska Communities, and hundreds of thousands of Alaskans, face the same energy challenge as Fairbanks, design and test a system where the state can, more sustainably, provide necessary project support of critical development even when it is no longer in a position to offer large Grants...

IEP – Original Project Definition

Transition Energy Economy from Oil (and Wood) to Cleaner, Less Expensive Natural Gas

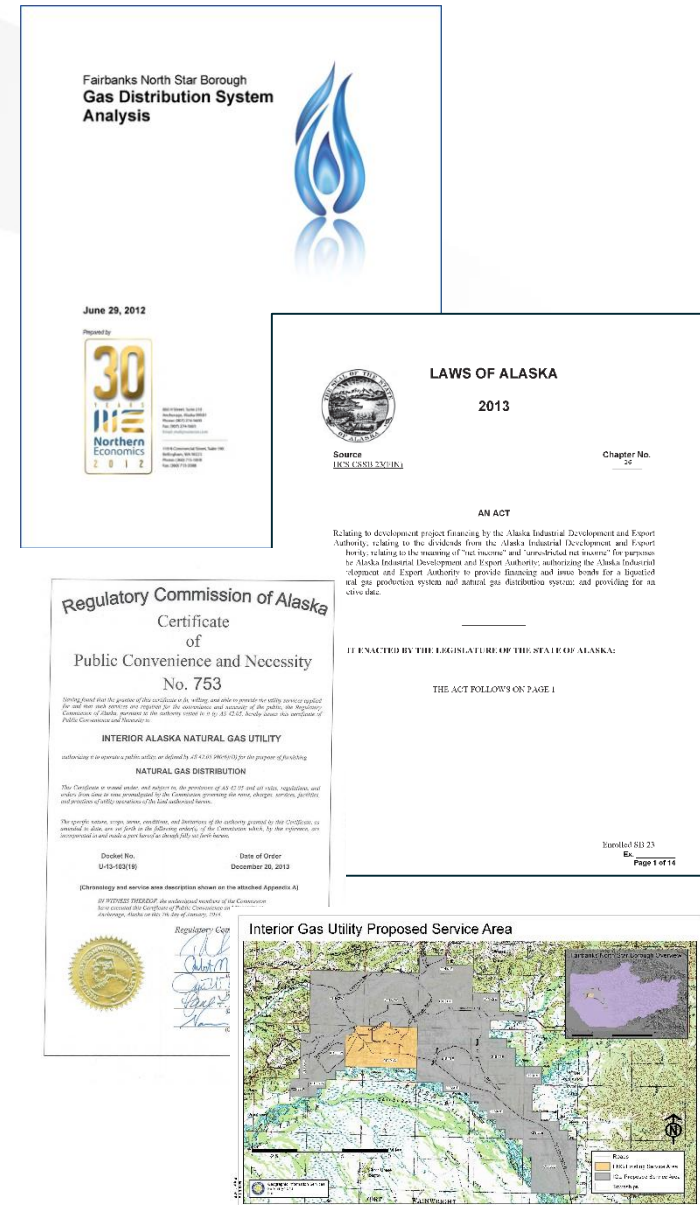


- I. Increase LNG Production Capacity
- II. Increase LNG Delivery Capacity
- III. Increase LNG Storage Capacity
- IV. Increase NG Delivery Capacity
- V. Support Conversion to NG Use

Project History

Project History

- **2007-2010**
 - FEDC Interior Issues Council Cost-of-Energy Task Force
 - As solutions to high energy (heating oil) cost challenge, advanced:
 - Energy Efficiency Programs
 - Renewable Energy Grant Program and Projects
 - Biomass/Coal/Gas to Liquids Project
 - Expanded LNG Trucking to, and natural gas use in, the FNSB
- **2011**
 - \$500,000 State Appropriation
 - Grant to study expansion of community natural gas distribution capacity and infrastructure
- **2012**
 - FNSB Gas Distribution System Analysis (GDSA)
 - Interior Gas Utility (IGU) Established by FNSB
 - Cities of Fairbanks & North Pole transfer utility powers to Borough
 - Borough creates IGU as municipal utility
 - \$3 Million State Appropriation (grant) to operationalize GDSA and support IGU
- **2013**
 - “Interior Energy Project (IEP)” Announced
 - Governor Requests State Financial Support for IEP
 - \$332.5 Million Financing Package*
 - \$57.5M Grant
 - \$125M SETS Loan
 - \$150M Bonding Authority
 - *Mandate for North Slope Focus
 - IGU acquires RCA Certificated Service Area (CPCN)



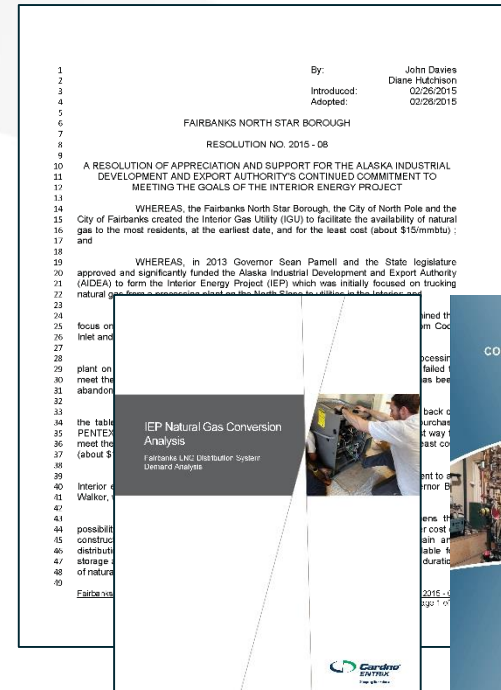
Project History - Continued

■ 2014

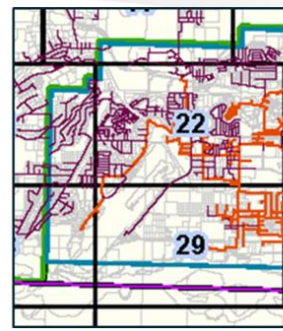
- FNG System Expansion
 - Year 1 of 2
- Pursuit of NS Configuration
 - RFP Process
 - Selection of MWH as partner
- Customer Conversion Studies
 - IGU Market Study and Conversion Program Analysis
 - CardnoEtrix IEP Natural Gas Conversion Analysis

■ 2015

- FNG System Expansion
 - Year 2 of 2
- IGU Phase 1 Build-Out
- Allowance for shift to Cook Inlet (CI) Configuration
- Pursuit of CI Configuration
 - Salix selected as development partner
- State (AIDEA) buys FNG/Pentex
 - Short-term, strategic investment meant to allow for unification local utilities under a single “Local Control Entity”
 - Supported by IGU and, by Resolution, City & Borough Municipalities
- CardnoEtrix IEP Natural Gas Conversion Sensitivity Analysis



FNG In-Fill & Build-out: 2014 & 2015



IGU SYSTEM – Phase 1 – Installed 2015



Project History - Continued

■ 2016

– Salix “Unwind”

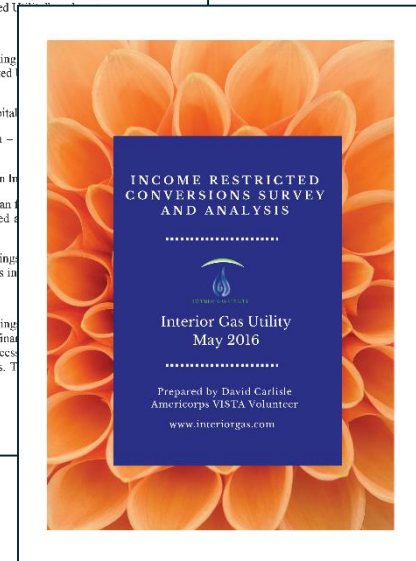
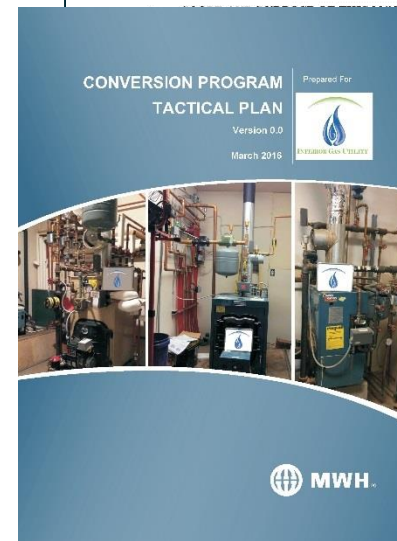
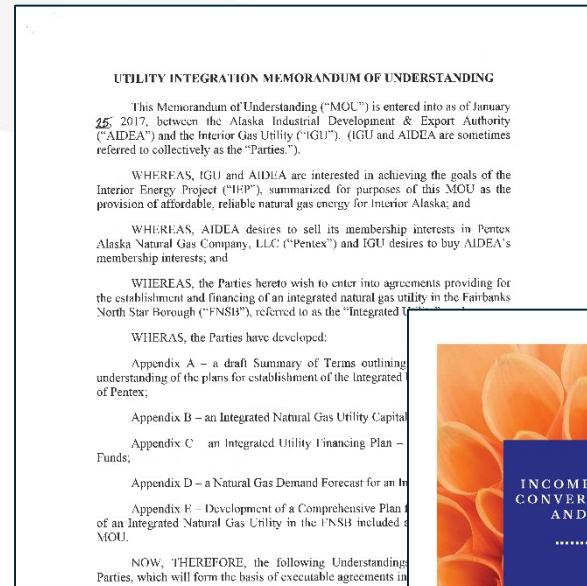
- Precipitated by need for cost reduction against Oil
 - Removal of corporate profits from natural gas “cost stack” to improve delivered price to consumer
- Unwind Agreement allowed for:
 - Retention of FEED work to date
 - Retention to FEED Contractors

– Negotiations to:

- Transition Pentex LLC into local ownership
- Unite Local Natural Gas Utilities
- Finance IEP Total-System Expansion

– Negotiation of AIDEA / IGU Memorandum of Understanding


- Between IGU and AIDEA for:
 - IGU Purchase of Pentex
 - AIDEA Financing of IEP



Project History - Continued

■ 2017


- AIDEA / IGU Memorandum of Understanding Executed
 - January 2017
- Negotiations to transform MOU-based agreements into actionable Contracts:
 - Purchase & Sale Agreement
 - Financing Agreement
 - Term-Loan Note
- Work Relative to Agreements:
 - Secure Gas Supply
 - AIDEA “HB 105” Resolution
 - Due Diligence of Pentex Assets and Corporation
 - Advance Infrastructure Development
 - LNG Storage facilities in Fairbanks & North Pole
 - Expanded Liquefaction Capacity in Cook Inlet region
- Advancement of Conversion Analyses and Program
 - Search for new funds to directly support conversion
 - Inquiries into alternative uses for existing funds
 - Characterization of Utility-offered On-Boarding Support
 - On-Bill Repayment
- Assessment of Alternatives
 - Alternative Supply Sources
 - Alternative Resources
 - Alternative Project Components and Configurations

<p align="center">UTILITY INTEGRATION MEMORANDUM OF UNDERSTANDING</p> <p>This Memorandum of Understanding (“MOU”) is entered into as of January 25, 2017, between the Alaska Industrial Development & Export Authority (“AIDEA”) and the Interior Gas Utility (“IGU”). (IGU and AIDEA are sometimes referred to collectively as the “Parties.”)</p> <p>WHEREAS, IGU and AIDEA are parties to the Interior Energy Project (“IEP”), summary provision of affordable, reliable natural gas;</p> <p>WHEREAS, AIDEA desires to establish a natural gas utility (“NGU”) in the North Star Borough (“NSB”) and to provide membership interests; and</p> <p>WHEREAS, the Parties hereto wish to establish and finance an integrated natural gas utility in the NSB, referred to as the “IGU”;</p> <p>WHEREAS, the Parties have developed a draft Summary Understanding of the plans for establishment of Pentex;</p> <p>Appendix A – a draft Summary Understanding of the plans for establishment of Pentex;</p> <p>Appendix B – an Integrated Natural Gas Utility (“NGU”) Funds;</p> <p>Appendix C – an Integrated Natural Gas Utility (“NGU”) Funds;</p> <p>Appendix D – a Natural Gas Demand;</p> <p>Appendix E – Development of a Natural Gas Utility in the NSB of an Integrated Natural Gas Utility in the NSB.</p> <p>NOW, THEREFORE, the Parties, which will form the basis of execution of this MOU.</p> <p>1. SCOPE AND PURPOSE OF THE MOU</p> <p>This MOU is intended to set forth the terms and conditions for the IGU’s sale of Pentex to IGU and related funding sources and to the development of executable agreements for the IGU.</p> <p align="right">Page</p>	<p align="center">IGU Conversions Program</p> <p align="right">2017 Program Update</p> <p align="center">  Stantec </p> <p>Prepared for: Jomo Stewart IGU General Manager</p> <p>Prepared by: Monique Garbowitz Conversions Lead</p> <p align="right">November 1, 2017</p>
<p>By:  John Spradley</p> <p>Date: 2/2/17</p> <p align="center">IGU</p> <p>By:  Jomo Stewart, General Manager</p> <p>Date: 1/25/17</p> <p align="right">Page 4 of 13</p>	

HB 105 Plan & Resolution

HB 105 Plan & Resolution

AIDEA Resolution Required to allow expenditure of further IEP Funds



LAWS OF ALASKA
2015

Source
SCS CS HB 105 ENR 0005

Chapter No. _____

AN ACT
Relating to the program and bonds of the Alaska Industrial Development and Export Authority; relating to the Alaska Industrial Development and Export Authority sustainable energy transmission and supply development fund; repealing bond authorizations granted to the Alaska Industrial Development and Export Authority; amending the definition of "qualified energy development"; relating to the financing authorization through the Alaska Industrial Development and Export Authority of a liquefied natural gas production plant and natural gas energy projects and distribution systems in the state; requiring the Alaska Industrial Development and Export Authority to deliver to the legislature reports relating to the liquefied natural gas project; and providing for an effective date.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

THE ACT FOLLOWS ON PAGE 1

Enrolled HB 105

the State of Alaska enacted by sec. 11(a), ch. 26, SLA 2013,

Industrial Development and Export Authority, through the
ment and Export Authority sustainable energy transmission
and (AS 44.88.660), may provide financing up to a principal
for the development, construction, and installation of, and the
and maintenance for, a liquefied natural gas production
ated infrastructure in the state that will provide natural
a primary market [ON THE NORTH SLOPE] and [A]
distribution systems [SYSTEM] and affiliated infrastructure
gas to [IN] Interior Alaska, if the members of the Alaska

22 Industrial Development and Export Authority approve by resolution a project
23 plan. The project plan must
24 (1) identify the source of the natural gas;
25 (2) include the estimated cost of the project; and
26 (3) include the estimated price of natural gas supplied to natural
27 gas utilities in Interior Alaska before distribution to consumers.

HB 105 requires a project plan within the AIDEA Board Resolution to include:

1. Source of natural gas
2. Estimated total project cost
3. Estimated “pre-distribution” cost of supplied gas

HB 105 Resolution – Gas Supply

Pentex/Hilcorp Gas Supply Contract

- 3 Year Term – to March 31, 2021
- Gas Price \$7.72/mcf + Transportation
 - No price escalator during contract term
 - Same price for all gas under contract
- All Requirements contract
 - 5 Mcf/d (1.825 Bcf/y)
 - Up to 15 Mcfd (5.475 Bcf/y)
 - With 18 months notice
- No Take-or-Pay Requirement

Substantively meets:

- HB 105 Gas Supply Requirement
- AIDEA desire for firm gas supply agreement (GSA) to underpin IEP investment decision
- IGU desire to limit impact of higher-priced supply regime on “IEP Proper” and future project performance

HB 105 Resolution

ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY

RESOLUTION NO. G17-13

RESOLUTION OF THE ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY APPROVING AN HB 105-COMPLIANT PROJECT PLAN FOR THE INTERIOR ENERGY PROJECT

WHEREAS, the Alaska State Legislature authorized the Alaska Industrial Development and Export Authority (the "Authority") to provide financing up to a principal amount of \$275,000,000 for the development, construction, and installation of, and the start-up costs of operation and maintenance for, a liquefied natural gas production plant and system and affiliated infrastructure and natural gas delivery and distribution systems that will provide natural gas to Interior Alaska as a primary market (the entire project is known as the "Interior Energy Project");

WHEREAS, in 2015, the Alaska State Legislature passed chapter 39 of the 2015 Session Laws of Alaska (SCS CSHB 105(FIN) am S), hereafter referred to as "HB 105," which concerned the Authority and the Interior Energy Project

WHEREAS, among other things required by HB 105, Section 9 of the law specified that in order for the Authority to deploy the financing approved for the Interior Energy Project the Authority had to approve by resolution a project plan;

WHEREAS, the staff of the Authority, working in conjunction with the Authority's advisors, have developed a project plan for the Interior Energy Project, a complete copy of which with all attachments is appended to this Resolution;

WHEREAS, the proposed project plan for the Interior Energy Project meets all of the requirements of Section 9 of HB 105; and

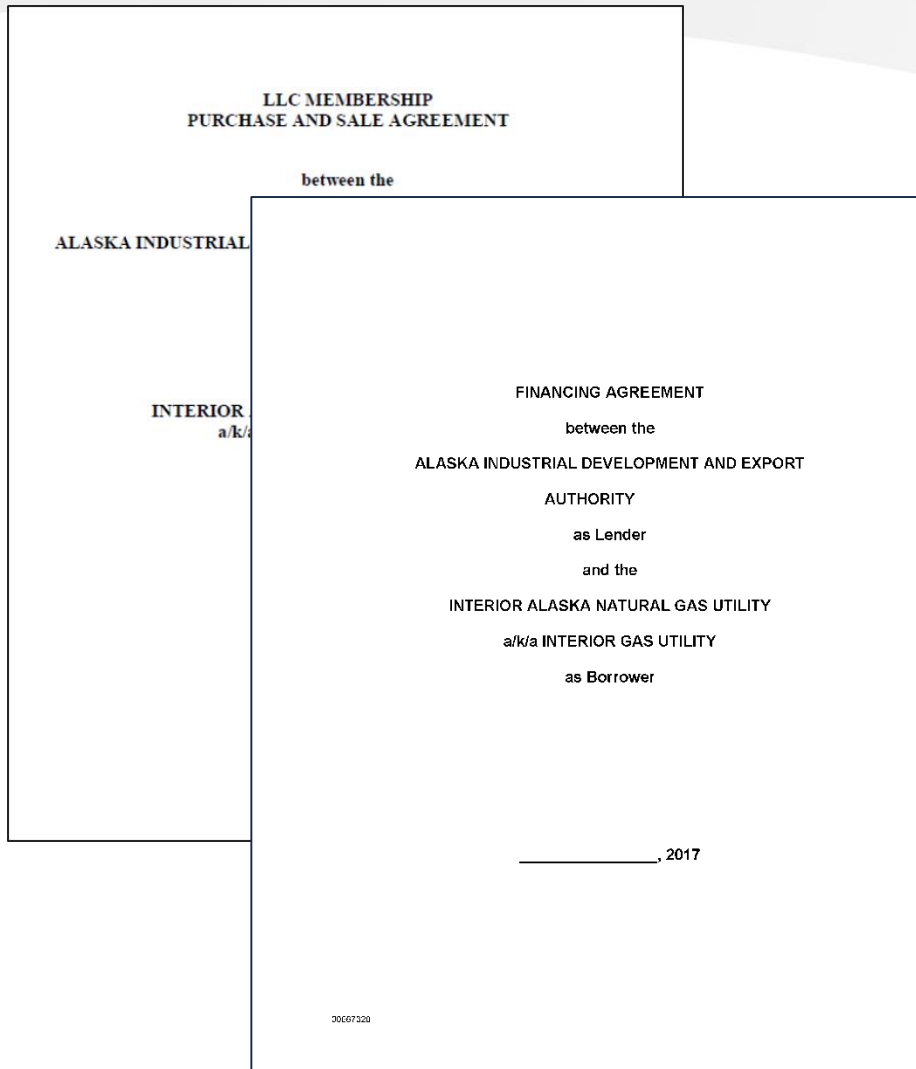
- Passed Unanimously
- Questions Answered*:
 - Source of natural gas
Hilcorp Alaska, Cook Inlet
 - Estimated total project cost
\$346,289,000
 - Estimated "pre-distribution" cost of supplied gas (2020)
\$14.19**

* AIDEA HB 105 Memorandum, Table 2 - 9/20/17

** Estimated price to customer - \$17.31 – using estimated & known project costs and 50% Residential Conversion Rate

Utility Integration Agreements for Pentex Purchase and IEP Financing

Purchase & Sale and Financing Agreements



- **Purchase & Sale Agreement (PSA)**
- **Financing Agreement (FA)**

Agreements to finance the purchase of Pentex Alaska, LLC by the Interior Gas Utility (unification of our community's natural gas utilities under local-control) and fund the construction of expanded natural gas liquefaction, transportation, storage, regasification and distribution infrastructure.

Definitions

Definitions

IGU

- Interior Gas Utility
- Municipal Utility
- Wholly-owned but independent corporation of the FNSB
- Created through transfer of utility-powers by City of Fairbanks and City of North Pole

Pentex Alaska, LLC

- Formerly-private operating utility currently owned by AIDEA
- Parent Company of:
 - Fairbanks Natural Gas (FNG)
 - Titan LNG
 - Cassini Storage
 - AET

AIDEA

- Alaska Industrial Development & Export Authority
- Wholly-own corporation of the State of Alaska specializing in lending, investing and project finance
- Administrator and Lender of State Appropriated IEP Funds

IEP

- Interior Energy Project
- Official title of local effort to increase natural gas supplies to and through Interior Alaska, and State Funding Appropriated or Authorized to support that effort

Definitions

Titan LNG plants

Titan 1

- Current LNG plant providing FNG with approximately 1B in LNG

Titan 2

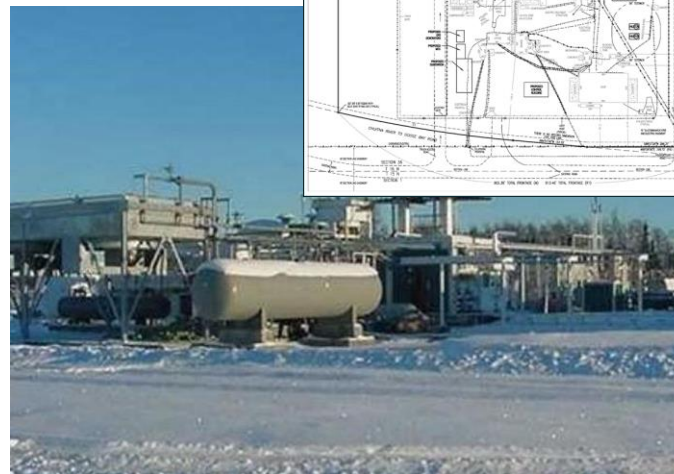
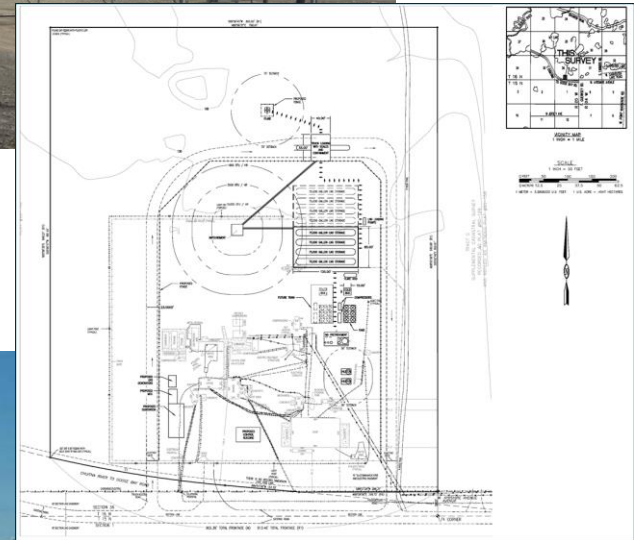
- New LNG plant, co-located with Titan 1, that will provide 3B in LNG

Titan 3

- Expansion of the LNG plant (Titan 1 & 2) to meet increased demand as demand materialize. Will provide additional 3B in LNG

*1B = 1 billion ft³ of liquid natural gas = approx. 7.46 Million Gallons of fuel oil

Also used in this case to denote yearly LNG production capacity (billion cubic feet per year or Bcf/y)



Definitions

Distribution System by Phase

IGU

Phase 1

- Customer service lines and meters for the 73 miles of gas mains installed in core North Pole in 2015

Phase 2

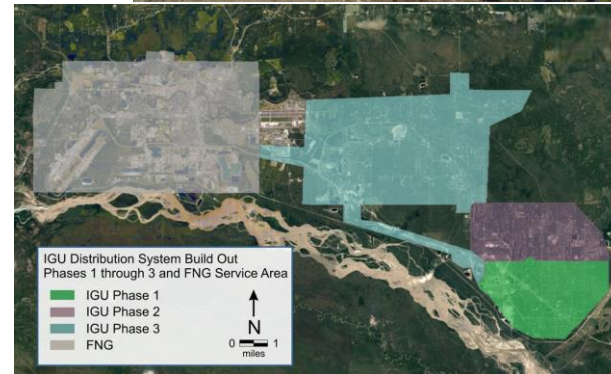
- Additional 68 miles of gas mains, along with customer service lines and meters, to cover northern half of North Pole

Phase3

- 128 miles of gas mains, along with customer service lines and meters, running along and anchored on Badger Road

FNG

Customer service lines and meters for the existing 134 miles of gas mains and expansion of up to 40 miles of gas main.



Definitions

LNG Storage

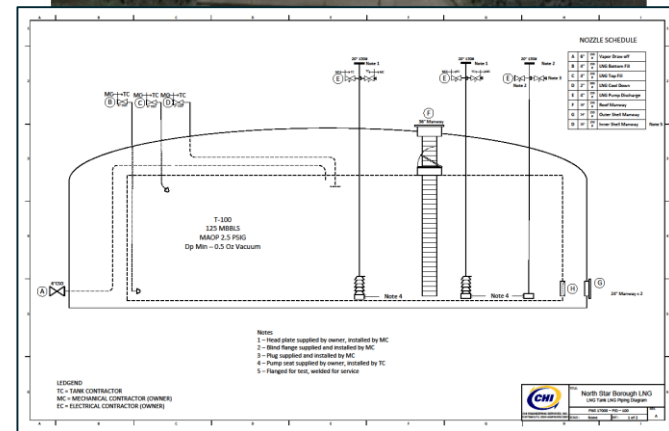
Small to Large insulated vessels to hold natural gas in liquid state (liquefied natural gas = LNG) until called on for use.

Fairbanks

- 5.2 Million gallons
- Purpose Built

North Pole

- Two 75,000 gallon bullet tanks
- Relocated from current Fairbanks storage facility cite



Project Scope under Agreements

Utility Integration Agreements

SCOPE (1 of 2)

- Titan 1 upgrades, Titan 2 and Titan 3 - construction
- Fairbanks LNG Storage - 5.2 million Gallons - construction
- North Pole LNG Storage – 150,000 Gallons - construction
- Full build-out of IGU Phases 1-3 Distribution System & FNG Expansion Area
- Services and Meters
- Customer Conversion Program

Utility Integration Agreements

SCOPE (2 of 2)

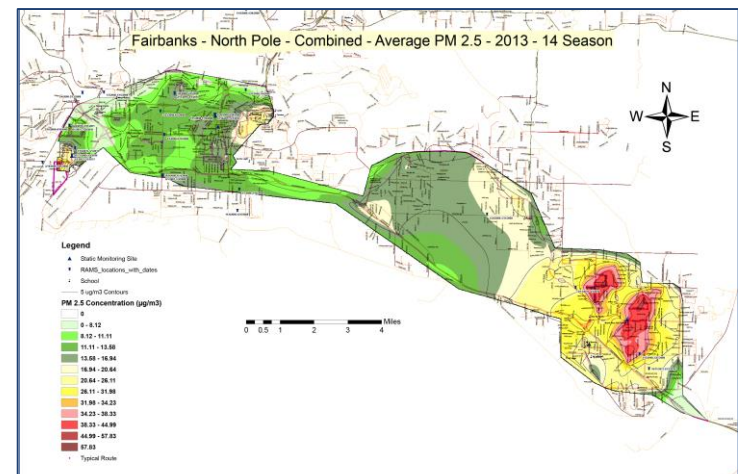
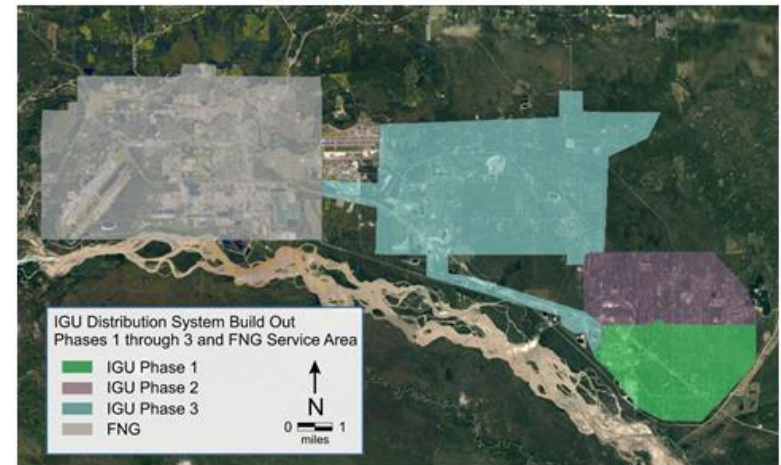
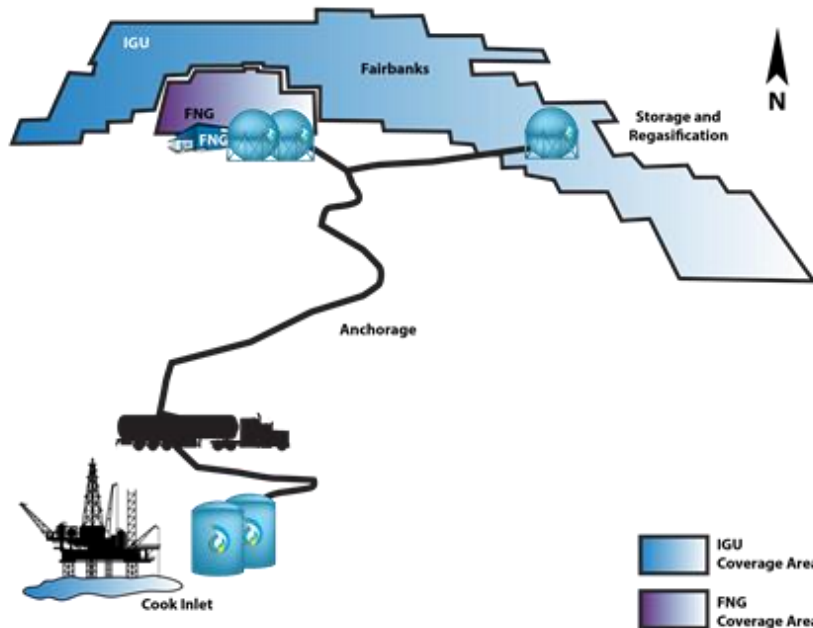
Integrated Utility Capital Program Component and Cost Breakdown

Item	Total
LNG Supply	
Titan 2 LNG Plant (inc. Titan 1 upgrades)	46,200,000
Titan 3 LNG Plant	25,000,000
ST - LNG Supply	71,200,000
Transportation	
LNG High-capacity Trailers & Equip	4,745,000
Storage and Vaporization	
FBKS 5.2mgal Storage	42,000,000
NP 150kgal Storage	10,000,000
ST - Storage	52,000,000
Pentex Acquisition	
IGU Acquisition of Pentex from AIDEA	59,575,000
Distribution	
Phase 1 IGU Buildout	23,400,000
Phase 2 IGU Buildout	25,670,000
Phase 3 IGU Buildout	38,290,000
FNG Expansion - Gas Mains	23,000,000
FNG - Future Peak Shaving Plant	2,000,000
IGU & FNG - New Services and Meters	19,149,000
ST - Distribution	\$ 131,509,000
Program Management	
Program Management	9,200,000
Customer Conversion Program	3,000,000
ST - Program Management	\$ 12,200,000
Total Capital Program	\$ 331,229,000
Sources of Funds	
	Total
Appropriations	\$ 42,440,000
SETS	125,000,000
AIDEA Bonds	140,544,000
Commercial Financing (bridge & LNG trailers)	4,745,000
Storage Credits	18,500,000
Total Sources of Funds	\$ 331,229,000

Utility Integration Agreements

SCOPE

**CREATES A FULLY &
VERTICALLY INTEGRATED
FNSB NATURAL GAS UTILITY**



Major Financial Terms under Agreements

Project Financing – Funds & Sources

▪ Sources of Project Funding	
– Grant Appropriations	\$57.5M
– IEP SETS Financing	\$125M
– Bond Financing	Up to \$150M
– Storage Credit	Up to \$15M per facility
– Commercial	As Needed
– Cash from Ops	If Available
 TOTAL (SOA)	 \$332.5M*

*Original appropriation/authorization

Utility Integration Agreements

Establishes Key Business & Financial Terms

- **Overall financing plan**
 - Commitment of \$330M in total to IGU's development & startup
 - Structure of \$125M SETS Loans
 - Standards and process for issuance of \$150M of AIDEA bonds for IGU capital program
- **IGU purchase of Pentex (including Titan, FNG, all Pentex assets)**
- **Process and timing of Infrastructure Development**
 - Including Scope Modifications or Revisions
- **Process and timing of System Integration**

IEP SETS Financing

SETS financing terms include:

- Amount – \$125 million
- Term – 50-year payback
- Interest Rate – 0% for first 15 years followed by 0.25% during 30 or 35 year repayment period
- Deferment
 - a) Normal Deferral Period: If conversions, and associated demand, materialize as projected, payment of principal and interest is deferred for 15 years with no capitalized interest
 - b) Demand Deferral Period: If conversions, and associated demand, do not materialize as planned, principal payments are deferred an additional 5 years (for a total deferment of 20 years). During additional five-year deferment period, interest-only payments to be made (\$312,500 in years 16 through 20).
- SETS debt service is secondary to AIDEA Bond or Other Bond debt service
- Required Debt Service Coverage of 1.0

	Item	Deferment	Repayment Term	Total Loan Term	Interest Rate	Annual Debt Service
a)	SETS \$125 million Loan	15 yrs	35 yrs	50 yrs	0.25%	\$3.73 m
b)	SETS \$125 million Loan	20 yrs	30 yrs	50 yrs	0.25%	\$3.73 m

IEP Bond Financing

Bonds financing assumptions include:

- Amount – up to \$150 million as needed for project financing
- Term – 30-year payback term
- Interest Rate – 4%
- Deferment – payment of principal and interest is deferred for a 3-year period with capitalized interest at 4% during deferment period
- Debt Service Coverage of 1.20 (typically 1.15 to 1.25 depending on credit rating)

Item	Deferment	Repayment Term	Total Loan Term	Interest Rate	Annual Debt Service
AIDEA Bonds (or mkt equiv)	3 yrs	27 yrs	30 yrs	4.0%	\$9.0 m

Financial Modeling

IEP Financial Model

- Used by both IGU and AIDEA to perform economic modeling of the project and estimate dollar-impact different capital, operational and financial terms will have on customer rates and utility finances
- Updated regularly to reflect latest information, including:
 - Cost of feed-gas
 - Cost of SETS, bond and loan debt service
 - Cost of capital hardware and materials
 - Cost of construction
 - Cost of operations
 - Estimated customer conversion rates
 - And More
- Modeled Scenarios to follow include:
 - Base Case: Reflective of most up-to-date information, extrapolated into the future
 - Low-Gas Case: Most up-to-date information but modeled using a lower feed-gas price
 - No Growth Case: “Stress Test” scenario meant to test the integrated utility’s financial survivability under “worst-case” circumstances (large up-front investment but supported only by FNG’s current sales volumes)

Modeled SETS Financing Terms

SETS financing terms include:

- Amount – \$125 million
- Term – 50-year payback
- Interest Rate – 0% for first 15 years followed by 0.25% during 30 or 35 year repayment period
- Deferment
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Modeled Bond Financing Terms

Bonds financing assumptions include:

- Amount – up to \$150 million as needed for project financing
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- Interest Rate – 4%
- Deferment – payment of principal and interest is deferred for a 3-year period with capitalized interest at 4% during deferment period
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Item	Deferment	Repayment Term	Total Loan Term	Interest Rate	Annual Debt Service
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Modeled Cost and Rate Scenarios

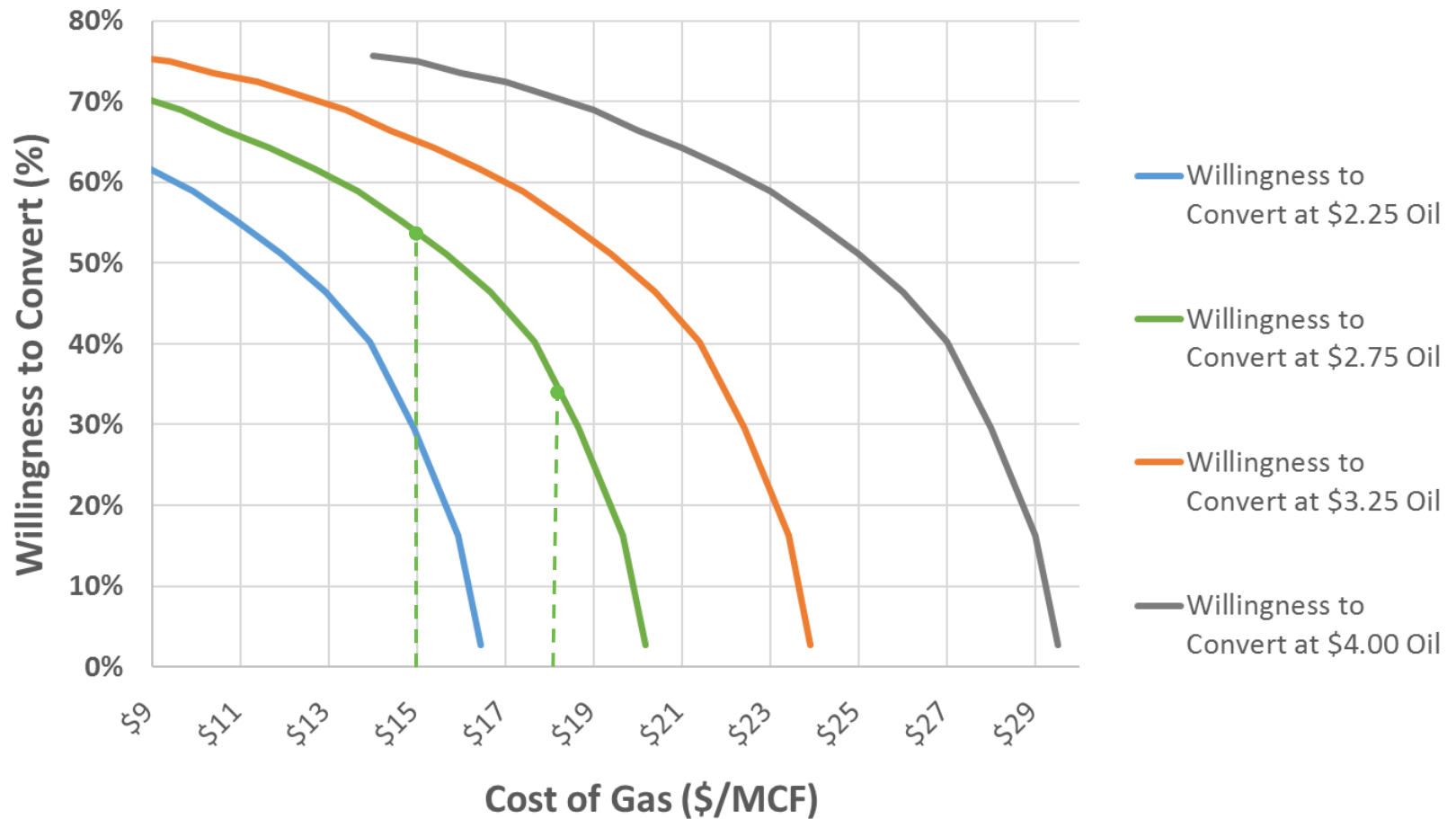
Item	Base Case	No Growth	Lower Gas Cost
Price of Feed Gas	\$7.72 for three years escalated at inflation afterward	\$7.72 for three years escalated at inflation afterward	\$7.72 for three years then \$6.00 escalated at inflation afterward
Complete Large Storage Project and Titan 2	Yes (\$98 m)	Yes (\$98 m)	Yes (\$98 m)
Buildout FNG and IGU Phase 1-3	Yes (\$100 m)	No	Yes (\$100 m)
Customer Conversions (Residential/non-Residential)	35% / 70%	0%	50% / 100%
Rate Plan (\$/MCF)	Initially \$17 to \$18 followed by small, incremental increases	Four-year rise from \$18 to \$25 followed by small, incremental increases	With low gas, initially \$14 to \$15 followed by small, incremental increases
Number of Customers Served	6,540	1,190	8,850

Modeled Capital Program – Major Items

Item	Base Case	No Growth	Lower Gas
Pentex Acquisition	\$ 59,575,000	\$ 59,575,000	\$ 59,575,000
Liquefaction Development	71,200,000	46,200,000	71,200,000
Storage & Regasification	52,000,000	52,000,000	52,000,000
Distribution	131,000,000	46,500,000	136,500,000
Totals	\$ 313,775,000	\$ 204,275,000	\$ 319,275,000
Difference from Base Case	\$ --	(\$ 109,500,000)	\$ 5,500,000

Cardno Studies:

Estimate of Single-Family Residential Willingness to Convert Cost of Heating Oil vs Cost of Gas



Financial Modeling – Results

- Under “No Growth” Scenario (where current customer-base holds but no new customers adopt) utility is in a challenged position but – able to continue to operate, provide service and meet its debt service obligations for at least 20 years but having little to no capacity for system expansion.
- Under “Base Case” Scenario (where the conversion rate is 35%) the utility is healthy but not able to meet IEP price or “immediacy^{*}” targets - able to operate, provide service and meet its debt service obligations, and has the resources and bankability to progressively, though slowly^{*}, extend service
- Under “Lower-Cost-Gas” Scenario (where the conversion rate is 50%) the utility is not only healthy – being able to operate, provide service and meet its debt service obligations – but able to proximately achieve the IEP’s price, growth-rate and NP air quality impact targets

Utility Integration Agreements – Public Process and Decisions

- **Public Process:**

- Municipal Information Sessions:

- Fairbanks North Star Borough Assembly, September 21
 - Fairbanks City Council , September 25
 - North Pole City Council, October 16

- Public Information Meetings:

- Tuesday, November 21, Fairbanks City Hall
 - Tuesday, November 28, North Pole Library

- Special Board Work & Public Comment Session:

- FNSB Assembly Chambers, November 30

- **IGU and AIDEA Decision Meetings:**

- IGU Board Meeting: December 5, 2017, FNSB Assembly Chambers
 - AIDEA Board Meeting: December 7, 2017, Anchorage Offices

- ❖ **Agreements Signed by IGU and AIDEA December 13, 2017**

Current Activities

PSA/FA Advancement

- Application for Change of Control of Pentex
 - IGU/AIDEA Joint Application
 - Filed with RCA
- Change of Control Letter for North Slope Pad
 - Logged with DNR
- Due Diligence on Disclosure Schedules
 - Commenced immediately upon receipt
 - Ongoing
- Other work to satisfy PSA/FA Conditions Precedent

Large LNG Storage Tank Construction – Commenced

- **LNG Storage Tank:**

- 5.2 Million gallon capacity
- Double-walled double containment design
- Scheduled Completion: Fall 2019

- **FEED funds appropriated and FEED commenced: June 29, 2017**

- \$1.5 Million of IEP Grant Funds
- AIDEA Resolution G 17-09

- **Competitive RFP Process: August – October 2017**

- “EPC” Solicitation: Engineering, Procurement and Construction
- Limited to companies with direct previous experience designing and constructing cryogenic LNG storage tanks

- **Negotiations and Contractor Selection: November – December 2017**

- **EPC Contractor Selected: Preload Cryogenics**

Large LNG Storage Tank Construction – Commenced

Pentex Team

- Dan Britton, Pentex President & CEO, Principal
- CHI Engineering, Owner's Engineer
- David Prusak, Stantec Engineering, Project Manager

Preload Cryogenics Sub-contractors:

- Great Northwest – All site preparation, including clearing, excavation, construction of pad and tank foundation preparation
- Anchorage Sand & Gravel – Manufacture of Outer Tank Pre-Cast Panels
- Golder & Associates – Geotechnical Design
- Arctic Foundations – Thermo-syphons design, manufacture and installation
- Rady Concrete – Tank Foundation
- Fullford Electric – Site Power
- Diamond Fence – Construction Fencing
- Precision &/or Alaska Crane
- Mappa Testing or similar local lab
- Alaska X-Ray or similar local testing company

Bonding Authority Extension: HB216 & SB125

House Bill 216

Representative Steve Thompson

Senate Bill 125

Senate President Pete Kelly

Bill Language: Simple Five-Year Extension

Section 1. The uncodified law of the State of Alaska enacted in sec. 11(f), ch. 26, SLA 2013, is amended to read:

(f) The authorization to issue bonds this section grants expires on **June 30, 2023** [JUNE 30, 2018], if the authority does not issue bonds before that date. Expiration of the authorization to issue bonds does not affect bonds that the authority issues under this section before **July 1, 2023** [JULY 1, 2018].

Next Steps

Next Steps: Immediate Term

- PSA/FA Financial Close
 - No later than May 31, 2018
- Natural Gas Conversion Program Advancement
 - Focused on potential On-Bill Repayment program
 - Draft Final
 - Awaiting IGU Board Review and Adoption – February 2018
- Utility Integration Plan and Implementation
 - Offers IGU Board select options for corporate structure and management
 - Plan in Draft Final
 - Awaiting IGU Board Review and Adoption – March 2018
- IGU Procurement Manual
 - Receiving final Sub-committee review and finalization
 - Board review March 2018
- Additional IGU Policies
 - Investment Grade Utility
 - Prudent Utility Principals
- North Pole LNG Storage Facility Design, Engineering, Construction
- LNG Facility Design, Engineering, Construction
 - Scheduled Completion: Fall 2019

QUESTIONS



INTERIOR GAS UTILITY

