

March 23, 2015



Honorable Benjamin Nageak
Honorable David Talerico
House Resources Committee Co-Chairs
Alaska State House of Representatives

RE: Support for HB 105

Dear Representatives,

The approval of SB 23 provided an opportunity for the Fairbanks community to move forth on a promise to deliver affordable natural gas to as many people possible, as soon as possible. It was the grease to move the wheels that had been churning under the pressure of high energy costs, toxic air pollution, and a crippling economy.

In late 2014, the IEP was faced with making some tough decisions. In light of a year of extensive effort by all parties the plan did not meet price goals set by the IEP through SB 23, and the decision was made to sever the concession agreement for development of a North Slope Liquefaction Plant that would produce the supply for our customers. This decision was not made lightly, as the deadline for delivering energy relief looms, leaving our community at risk to continue to face high costs of heating and poor air quality conditions.

As Alaskans, we don't give up the fight when one solution doesn't work the way we think it ought to. Instead, we change direction and look for another way. HB 105 presents an opportunity to leverage the hard work and financial investment of SB 23 to consider alternative solutions to solving this issue. This not only benefits Interior Alaska, but opens the door to secondary markets and alternative solutions needed to deliver the most affordable natural gas, to the most amount of people, as soon as possible. If the price is right, we will be here, anxiously waiting to fill the pipeline, advance this project, and serve our area. Interior Alaska is counting on all of us. Please advance HB 105 in its current form from your committee and support this legislation with a "yes" vote to keep the IEP on track to deliver this critical energy solution.

Thank you,

A handwritten signature in blue ink, appearing to read "SH", is written over a horizontal blue line.

Steven Haagenson, General Manager

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