

January 22, 2018

Senator Pete Kelly
State Capitol Room 111
Juneau, AK 99801

Sir,

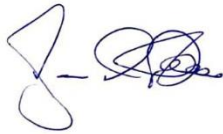
I am writing you to express my support of Senate Bill 125. If passed, this bill would extend the allowable time for the Alaska Industrial Development and Energy Authority (AIDEA) to issue bonds for the Interior Energy Project (IEP) to June 30, 2023. The IEP has been a huge undertaking and, because of hard work and a supportive community, has made slow and steady progress.

Gas distribution lines have been extended to the majority of the City of Fairbanks, expanding the number of available users from about 1,000 to 5,000. A significant portion of the North Pole community now also has gas distribution lines, adding 1,500 more customers. Construction has started on a Liquefied Natural Gas (LNG) storage facility in South Fairbanks that, when finished, will allow the existing LNG plant to provide additional gas to a few hundred customers. Recently, an agreement between AIDEA and Fairbanks' Interior Gas Utility (IGU) was signed and IGU is ready to take control of the combined community gas utility starting in the spring of this year.

To continue moving forward, and begin producing the gas to reach those 5,500 available users, IGU will need to sell the AIDEA Interior Energy Bonds. The extension of bonding authority until June of 2023 is critical to the goals of the Interior Energy Project. Bringing affordable natural gas to Interior Alaska and providing a clean burning fuel to help improve Fairbanks' air quality.

We appreciate your support of the IEP and the support of your colleagues in the legislature. Thank you for the opportunity to express our support for this very critical project.

Respectfully,



Jim Dodson
President & CEO
Fairbanks Economic Development Corporation