



February 9, 2018

Senator Anna MacKinnon
Co-Chair, Senate Finance Committee
State Capitol, Room 516
Juneau, Alaska 99801

Dear Senator MacKinnon:

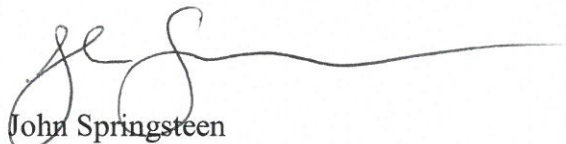
I am writing to you today to express support for Senate Bill 125 (SB 125). An Act relating to the financing and issuance of bonds for a liquefied natural gas production system and natural gas distribution system; and providing for an effective date.”

SB 125 would simply extend the amount of time the Alaska Industrial Development and Export Authority has to issue project bonds in support of the Interior Energy Project. The original authorization was approved by the 28th Alaska Legislature with a standard five-year sunset date. Advancement of the project was delayed prompting Representative Steve Thompson to request the proposed time extension.

Negotiations in 2017 advanced the Interior Energy Project to a point that contractual agreements were signed on December 13, 2017 to consolidate the two existing natural gas utilities into a single entity under local control. The transaction is now on track to close by the end of May, at which time continued access to the bond authorization will be a critical component of the utilities’ future plans to increase access. In addition to access to an increased supply of natural gas in the Interior at an affordable price, we understand increased use of natural gas will assist community leaders in their efforts to comply with requirements of the Clean Air Act.

Gene Therriault is the Interior Energy Project Team Lead for AIDEA and is available to provide further background information you may require. Gene has worked closely with Representative Thomson and his staff on SB 125 and will be available to testify on the legislation.

Kind regards,



John Springsteen
AIDEA CEO/Executive Director