HAND-CARRIED

Introduced By: Mayor Cleworth
Date: March 5, 2012

RESOLUTION NO. 4516

A RESOLUTION SUPPORTING HOUSE BILL 289 AND SENATE BILL 153 TO EXTEND TAX CREDITS FOR THE COSTS OF CONSTRUCTION OF NATURAL GAS STORAGE FACILITIES IN INTERIOR ALASKA

WHEREAS, as stated in State Representative Steve Thompson's Sponsor Statement to House Bill 289:

> *The cost of energy is crippling Interior Alaska's economy. The ever increasing expense of heating homes and operating businesses during the long, cold, dark winter hurts the ability of Interior Alaskans to put food on the table today and plan for the future. The Fairbanks community spends over $600 million per year on space heating, pays the highest natural gas prices in the country and does not receive the state energy incentives or subsidies available to residents and communities in other regions of our state.*

WHEREAS, House Bill 289 and Senate Bill 153, the companion bill sponsored by Senators Joe Thomas and John Coghill, provide an incentive for the private sector's delivery of lower cost energy to Interior Alaska by extending tax credits available for natural gas storage in Cook Inlet to a liquid natural gas trucking project for the Interior; and

WHEREAS, natural gas provides energy at a lower cost than fuel oil, even when transported by truck. Construction of new storage facilities would increase the availability of natural gas for additional residential, commercial and industrial users; and

WHEREAS, enlarged gas storage facilities will still be a valuable asset when a natural gas pipeline is constructed to serve the Interior.

NOW, THEREFORE, BE IT RESOLVED, that the City of Fairbanks supports House Bill 289 and Senate Bill 153.

PASSED and APPROVED this 5th Day of March 2012.

Jerry Cleworth, Mayor

AYES: Matherly, Hilling, Roberts, Eberhart.
NAYS: None
ABSENT: Stiver, Gatewood
PASSED: March 5, 2012

ATTEST:

Janey Hovenden, City Clerk CMC

APPROVED AS TO FORM:

Paul Ewers, City Attorney