

**RESOLUTION NO. 4869**

**A RESOLUTION IN SUPPORT OF LEGISLATION TO EXTEND  
THE SUNSET DATE FOR LNG STORAGE TAX CREDITS**

**WHEREAS**, the Alaska Legislature passed SB23 in 2012 establishing tax credits for the construction of above-ground LNG storage tanks; and

**WHEREAS**, Fairbanks typically has among the highest utility costs in the nation; and

**WHEREAS**, the Environmental Protection Agency has designated much of the Fairbanks area as a non-attainment area for air quality related to PM<sub>2.5</sub>; and

**WHEREAS**, federal requirements for air quality monitoring and containment of PM<sub>2.5</sub> is an issue that has far-reaching consequences; and

**WHEREAS**, Fairbanks' long-term efforts for clean air are focused on bringing clean, affordable natural gas to the Fairbanks area for space heating; and

**WHEREAS**, the development of expanded LNG storage facilities in Fairbanks is critical to serving a greater number of residents; and

**WHEREAS**, the LNG storage tax credits are vital in helping to bring down the cost of providing natural gas to Fairbanks residents; and

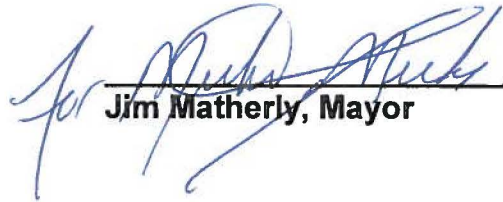
**WHEREAS**, the Interior Gas Utility's current LNG tank construction schedule has a projected completion date of fall 2019; and

**WHEREAS**, the LNG storage tax credits in SB23 have a sunset clause of Dec 31, 2019; and

**WHEREAS**, extending the sunset on the LNG storage tax credits by 18 months, to June 30, 2021, will allow IGU additional time to qualify for the tax credits should completion take longer than anticipated.

**NOW, THEREFORE, BE IT RESOLVED** that the Fairbanks City Council supports legislation to extend the sunset date for LNG storage tax credits in Alaska to June 30, 2021.

**PASSED and APPROVED** this 11th day of March 2019.

  
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Jim Matherly, Mayor

YEAS: PASSED and APPROVED on the CONSENT AGENDA  
NAYS: None  
ABSENT None  
APPROVED: March 11, 2019

ATTEST:

APPROVED AS TO FORM:

  
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D. Danyielle Snider, CMC, City Clerk

  
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Paul Ewers, City Attorney