



February 22, 2022

The Honorable Grier Hopkins
Alaska State House of Representatives
State Capitol, Room 434
Juneau, Alaska 99801

Re: Support for HB 307 – Extend AIDEA Bond Authority for Interior Energy Project

Dear Honorable Grier Hopkins:

The Alaska Industrial Development and Export Authority (AIDEA) supports HB 307, which would extend AIDEA's authority to finance and issue bonds to the Interior Energy Project allowing continued supply of clean, affordable energy in Interior Alaska through June 30, 2028.

The Interior Energy Project (IEP), authorized in 2013 under SB 23, has worked to build, fund, and provide a clean, affordable energy alternative to residents and businesses of Interior Alaska. In 2021 alone, IEP constructed 6.75 miles of main lines, subsequently adding 312 customers to the serviceable area. IEP also completed construction of a new 150,000-gallon capacity LNG storage and vaporization facility, which facilitated gasification to distribution systems that now provide natural gas service to the North Pole community for the first time in its history. Failing to extend authorization would limit access to financial resources available to this critical energy component for Interior Alaskans, potentially resulting in increased energy costs or lower resource reliability.

AIDEA is a public corporation of the State of Alaska whose mission is to promote, develop, and advance the prosperity for Alaskans. We currently have in place a \$139 million loan to the Interior Gas Utility through AIDEA's Sustainable Energy Transmission and Supply Development (SETS) Fund authorized under SB 23. Allowing AIDEA to extend bond authority for the IEP through June 30, 2028, would allow continued access to financial resources for consistent growth and expansion to new customers, improve air quality, and provide local residents and businesses with affordable energy options.

Respectfully,

A handwritten signature in blue ink, appearing to read "A. Weitzner", is written over the typed name and title.

Alan Weitzner
AIDEA Executive Director