



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

February 24, 2022

Representative Grier Hopkins
State Capitol, Room 434
Juneau, AK 99801-1182

Dear Representative Hopkins,

I am writing you to express Fairbanks Economic Development Corporation's (FEDC) support of House Bill 307. The Interior Energy Project (IEP) has been a huge undertaking but, because of hard work and a supportive community, has made slow but steady progress. If passed, HB 307 will extend the allowable time for the Alaska Industrial Development and Energy Authority (AIDEA) to issue bonds in support of the IEP to June 30, 2028 and, thereby, provide to the Interior Gas Utility continued access to a source of capital it may need to continue its diligently pursued progress.

Since its establishment, the Interior Energy Project has made enormous strides toward the goal of making natural gas a viable energy alternative broadly available to the residents and businesses of the greater Fairbanks community. Gas distribution lines have been extended to the majority of the City of Fairbanks and City of North Pole, expanding the number of available users from about 1,000 to over 6,000. It has also, in addition to performing safety and capacity upgrades to the Mat-Su-based Titan LNG facility, allowed for the construction of the expanded LNG storage and regas facilities needed to offer and ensure reliable service to existing and available customers.

Much of the above-described work was able to be completed due to SETS loans funding. However, with those monies fully deployed, the Interior Gas Utility will need to rely in part on AIDEA Interior Energy Bonds to continue project advancement. Therefore, extension of bonding authority until June of 2028 is critical to the meeting the goals of the Interior Energy Project.

FEDC appreciates the Legislature's historic and continuing support of the IEP. Thank you for the opportunity to express our support for this very critical project and for your own efforts to help our community overcome its air quality and cost of energy challenges.

Respectfully,



Jomo Stewart
President & CEO
Fairbanks Economic Development Corporation



CITY OF FAIRBANKS

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02/24/2022

Representative Grier Hopkins
State Capitol
120 Fourth Street
Juneau, AK 99801-1182

Re: Support for HB 307

Dear Representative Hopkins,

On behalf of the City of Fairbanks, I'm writing to express my support for HB 307. House Bill 307 will provide necessary support for AIDEA to issue bonds for the Interior Energy Project.

The economic and environmental impact that the Interior Energy Project will have on Fairbanks makes this project a high priority and the City of Fairbanks backs these measures to bring affordable energy to Interior Alaska. We anticipate the Fairbanks City Council will adopt a resolution in support of HB 307 in the near future.

If there is anything else that I or the City of Fairbanks can do to support this effort, please let me know.

Thank you,

Mayor Jim Matherly
City of Fairbanks