

ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY

RESOLUTION NO. G17-09

**RESOLUTION OF THE ALASKA INDUSTRIAL DEVELOPMENT
AND EXPORT AUTHORITY AUTHORIZING FRONT END
ENGINEERING AND DESIGN WORK FOR LNG STORAGE
FACILITY IN FAIRBANKS**

WHEREAS, the Alaska Industrial Development and Export Authority (the “Authority”) is pursuing the Interior Energy Project to bring additional supplies of natural gas to Interior Alaska;

WHEREAS, the Alaska State Legislature, in the FY2014 capital budget, appropriated \$57,500,000 to the Authority for use in advancing an Alaska liquefied natural gas production plant and distribution systems to serve Interior Alaska as a primary market;

WHEREAS, one of the planned components of the Interior Energy Project is a large LNG storage facility in Fairbanks, Alaska;

WHEREAS, Fairbanks Natural Gas, LLC (“FNG”) and its subsidiary, Cassini LNG Storage, LLC (“Cassini”), have been working to develop the Fairbanks LNG storage facility;

WHEREAS, proceeding with the development of Fairbanks LNG storage facility is time critical in order to possibly qualify for State of Alaska tax credits that require any such a facility to commence commercial operation before January 1, 2020;

WHEREAS, FNG President Dan Britton has presented the Board with a budget for front end engineering and design (FEED) work on the Fairbanks LNG storage facility; and

WHEREAS, proceeding with the FEED work on the Fairbanks LNG storage facility is in the best interests of the Authority and will advance an Alaska liquefied natural gas plant and distribution systems to serve Interior Alaska as a primary market.

NOW, THEREFORE, BE IT RESOLVED BY THE ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY AS FOLLOWS:

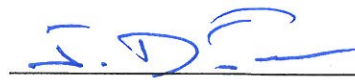
Section 1. The Authority's sub-subsidiaries FNG and Cassini are authorized to proceed with the FEED work for the proposed Fairbanks LNG storage facility. The budget for the FEED work is approved. On behalf of FNG or Cassini, or both, Dan Britton is authorized to obtain the professional services necessary to proceed with and complete the FEED work for the Fairbanks LNG storage facility.

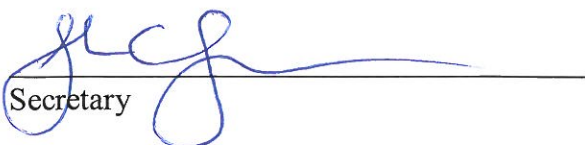
Section 2. FNG and Cassini are authorized to expend up to \$1,500,000 for the FEED work for a 5,250,000 gallon Fairbanks LNG storage facility. The Authority shall pay for the FEED work on the Fairbanks LNG storage facility from the FY2014 capital budget appropriation made to the Authority. The Executive Director and the Chief Financial Officer shall work with FNG and Cassini to determine the best method for the Authority to pay for, or compensate FNG and Cassini for, the FEED work on the Fairbanks LNG storage facility.

Section 3. The Executive Director is authorized to sign all documents and to take all other actions, necessary or expedient, in fulfilling the purposes of this Resolution.

Dated at Anchorage, Alaska, this 29th day of June 2017.




Chair


Secretary