



NEWS RELEASE

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Legislature Unanimously Passes Interior Energy Plan SB 23 Provides Funding for LNG Trucking Project

(Anchorage)-Today the Alaska Legislature unanimously passed SB 23, providing a financing package to begin developing a liquefaction plant and natural gas distribution system. The legislation authorizes \$275 million Alaska Industrial Export Authority (AIDEA) bonds and loans.

"Through the leadership of Gov. Parnell and the Interior Delegation, AIDEA can continue the due diligence process to develop a project to natural gas to Fairbanks," said Ted Leonard, executive director of AIDEA. "This project will involve a strong collaboration with the private sector and will build out a distribution system to prepare for a natural gas pipeline."

The \$275 million in AIDEA authorization includes \$150 million in bonds and \$125 million in the Sustainable Energy Transmission and Supply (SETS) Fund. The Interior Energy Plan also includes \$50 million for an equity investment and \$30 million in natural gas storage credits. The project includes a gas conditioning and liquefaction plant on the North Slope, LNG storage and re-gasification facilities in the Fairbanks North Star Borough and the build out of a natural gas distribution system. Trucking contracts would be set to move LNG from the North Slope to the road system.

"We are working closely with AIDEA on this plan that can reduce energy bills in Fairbanks by 40 percent," said Sara Fisher-Goad, AEA executive director. "AEA's reach is statewide and we are exploring the potential to expand this project further into rural Alaska and villages along the river system."

Next steps are the due diligence efforts and purchase agreements this year to bring first gas and propane to customers at the end of 2015.

The Alaska Energy Authority and Alaska Industrial and Export Authority are public corporations of the State. AEA's mission is to reduce the cost of energy in Alaska. AIDEA is dedicated to promoting, developing and advancing economic growth and diversification in Alaska. Akenergyauthority.org/ and Aidea.org/