



## PRESS RELEASE

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# **AIDEA Board Approves Interior Energy Project Loans**

## *Financing Provided to Advance Natural Gas Distribution Systems*

(Anchorage) – The Alaska Industrial Development and Export Authority (AIDEA) Board on Thursday approved two Sustainable Energy Transmission and Supply Development Fund (SETS) loans to advance natural gas distribution systems in Fairbanks and North Pole.

These SETS loans, to Fairbanks Natural Gas, LLC (FNG) and Interior Gas Utility (IGU), are part of the Interior Energy Project. The project was introduced by Governor Sean Parnell in 2013. The Legislature then approved a bill that provides the financial tools needed to liquefy natural gas on the North Slope for trucking to the Interior, and to help develop natural gas distribution systems in Fairbanks and North Pole. The goal is to bring low cost natural gas to as many Interior Alaskans as possible – as soon as possible.

The first loan, to Fairbanks Natural Gas, LLC, is for \$15,000,000 to fund the 2014 initial development and build-out of an expanded gas distribution system within FNG's certificated service area. The project includes constructing 32 miles of new distribution system. This additional distribution system will allow FNG to connect 100 commercial and 2,500 residential services to their existing service area.

The second loan, to Interior Gas Utility, is for \$8,100,000 to fund IGU's initial work needed to develop their distribution system and affiliated infrastructure. This project includes engineering design, permitting and program management. It is projected that the distribution build-out of IGU's service area will provide natural gas service for more than 11,000 residents.

The Alaska Industrial Development and Export Authority is a public corporation of the state. AIDEA's purpose is to promote, develop and advance the general prosperity and economic welfare of the people of Alaska.

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