



PRESS RELEASE

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AIDEA Finances Nome Fuel Storage Expansion

Board Approves Energy Development Loan Participation

(Anchorage) – The Alaska Industrial Development and Export Authority (AIDEA) Board at its recent meeting in Ketchikan unanimously approved an energy development loan participation for a project located in Nome.

The loan, to Bonanza Fuel, LLC, is for \$7,312,500 (90%) of an \$8,125,000 loan brought to AIDEA by Northrim Bank. Northrim originated the loan and is participating with \$812,500. The purpose of this loan is for long term financing for the expansion of a petroleum storage facility.

The project adds three storage tanks to the existing six tanks at the facility, and increases storage capacity by 2.3 million gallons to a total of 5.9 million gallons. The project also increases competition among local fuel suppliers and enhances the development of Nome's harbor by providing additional fuel storage to meet increasing demands for marine traffic in the Bering Straits. Additionally, this increased storage capacity reduces the likelihood of a fuel shortage in Nome. The project generated 15 construction jobs and creates three new permanent positions.

AIDEA's Loan Participation Program provides permanent financing, both taxable and tax-exempt, to borrowers through a qualified originator for the purpose of developing, acquiring or enhancing Alaska business enterprises, or for a qualified energy development project. The Loan Participation Program provides the benefit of long-term fixed or variable rate financing on the portion of the loan purchased by AIDEA. AIDEA does not originate loans, but is able to purchase up to 90% of a commercial loan to a maximum of \$20 million, that is sponsored and originated by an eligible financial institution.

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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