



MATANUSKA-SUSITNA BOROUGH ASSEMBLY
INTERIOR ENERGY PROJECT
UPDATE – December 17, 2019

Presented by : Dan Britton, General Manager

Interior Energy Project

PURPOSE AND GOALS

**“...to bring low-cost energy to as many residents
and businesses of Interior Alaska
as possible, as quickly as possible...”**

Stabilize the Economy

Help Improve Air Quality

HISTORY

- 1998 - Fairbanks Natural Gas, LLC (FNG) began operating in Fairbanks and Pt. Mackenzie; giving Interior residents a natural gas heating option for the first time.
- 2013 – SB 23 signed into law establishing the Interior Energy Project (IEP), providing AIDEA with the financing package to finance and develop the supply and delivery of natural gas to Interior Alaska.
- 2015 – HB 105 signed into law, enacted to renew and advance the IEP and requiring the AIDEA Board of Directors to approve, by resolution, a project plan prior to deploying additional financing.
- 2015 – AIDEA purchases Pentex Alaska Natural Gas Company, LLC (Pentex) to further the goals of the IEP and facilitate consolidation of the Interior gas utilities.
- 2018 – IGU purchases Pentex from AIDEA and the parties establish a Finance Agreement governing AIDEA's financing of IGU; utilizing the tools established by the IEP.
- 2019 – IGU implementing plan, constructing storage in Fairbanks and North Pole and preparing for Liquefaction expansion and customer additions.

Project Scope

LNG Production

- Point Mackenzie

Transportation

- Trucking
- Possibly Rail

Storage

- Fairbanks - 5.25 MM
- North Pole – 150,000

Distribution

- Fairbanks – 140 Miles
- North Pole – 72 Miles

Customer Conversion

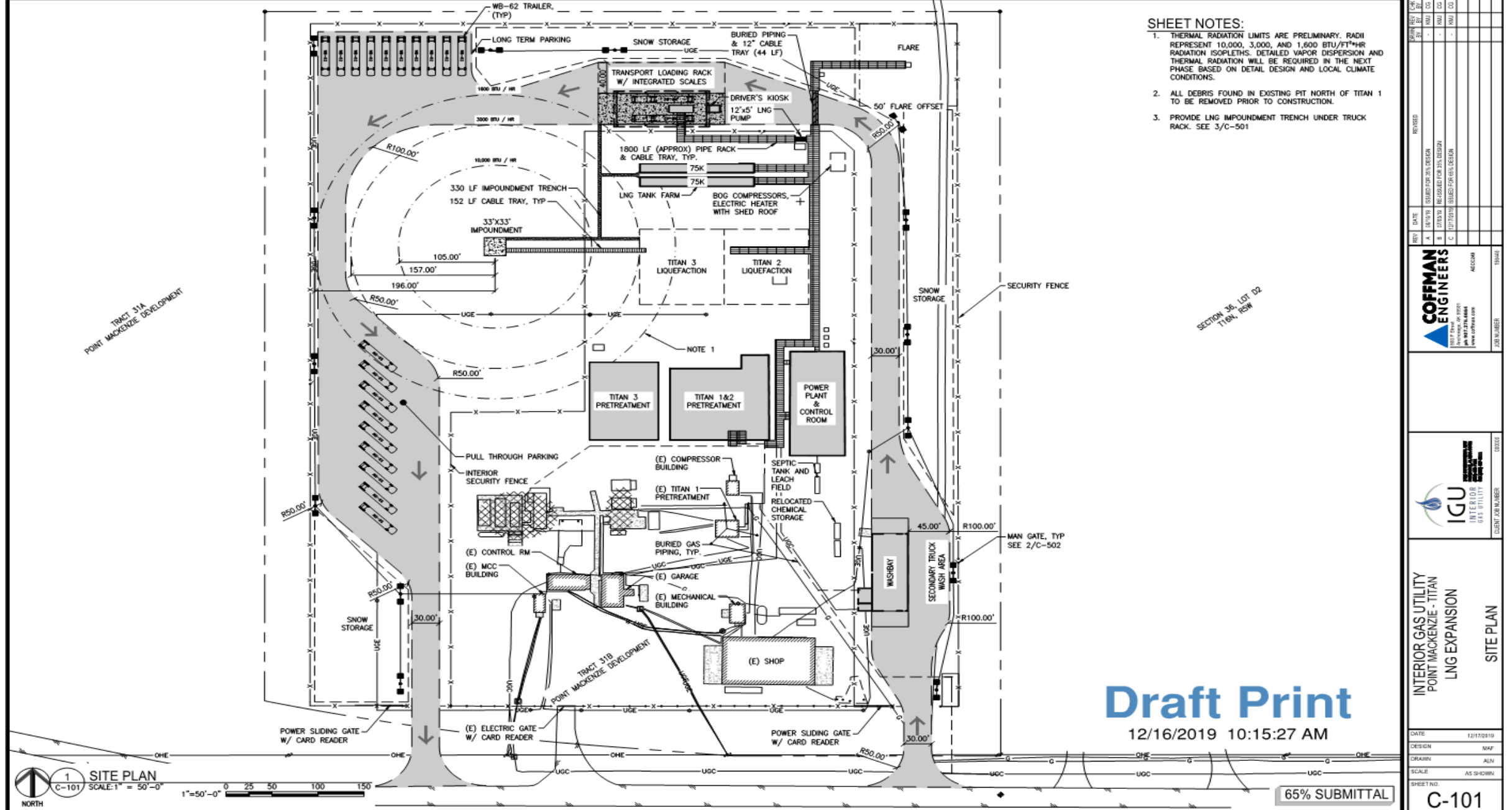
IGU Point MacKenzie Liquefaction

- 50,000 GPD current Capacity
 - 100,000 GPD Expansions
-

Notice of Intent to
Award Pretreatment and
Liquefaction supply to
Air Liquide issued on
10/25/2019

65% Design work
ongoing

Scheduled for
Completion End of 2019



- SHEET NOTES:**
1. THERMAL RADIATION LIMITS ARE PRELIMINARY. RADI REPRESENT 10,000, 3,000, AND 1,600 BTU/FT²HR RADIATION ISOPLETHS. DETAILED VAPOR DISPERSION AND THERMAL RADIATION WILL BE REQUIRED IN THE NEXT PHASE BASED ON DETAIL DESIGN AND LOCAL CLIMATE CONDITIONS.
 2. ALL DEBRIS FOUND IN EXISTING PIT NORTH OF TITAN 1 TO BE REMOVED PRIOR TO CONSTRUCTION.
 3. PROVIDE LNG IMPOUNDMENT TRENCH UNDER TRUCK RACK. SEE 3/C-501

REV	DATE	BY	CHK	DESCRIPTION
A	12/16/19	AMU	CS	ISSUED FOR PRELIMINARY DESIGN
B	01/03/20	AMU	CS	RE-DESIGNED FOR 35% DESIGN
C	01/17/20	AMU	CS	ISSUED FOR 65% DESIGN

		1001 E. 10th Ave. Anchorage, AK 99501 PH: 907.276.4844 WWW.COFFMAN.COM
		INTERIOR GAS UTILITY U.S. ENERGY 0.5% 10/1/17
INTERIOR GAS UTILITY POINT MACKENZIE - TITAN LNG EXPANSION		SITE PLAN
DATE	12/17/2019	
DESIGN	NAF	
DRAWN	ALN	
SCALE	AS SHOWN	
SHEET NO.	C-101	



Project Financing

- Estimated Capital Cost - \$50 MM
- Bonds to be issued to Finance the Project
- Estimated Construction Jobs – 60 FTE, 1 to 2 years
- Operational Jobs – 10 FTE
- Transportation Jobs – 10 to 30 FTE



NEXT STEPS...

- Finalize FEED Work and Budget
- Obtain Resolutions of Support from Local Governments where projects are being constructed as required by AIDEA statute
- Submit to IGU Board for Final Investment Decision
- Complete Bond Documents and Prepare Bond Offering
- Issue Bonds (Estimated \$60 MM PAR)
- Finalize Design
- Issue Request for Bids for Project Construction
- Award Contracts and Begin Construction

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