



Photo Credit: Fairbanks Daily News-Miner – Amanda Bohman

FAIRBANKS NORTH STAR BOROUGH ASSEMBLY
INTERIOR ENERGY PROJECT
QUARTERLY UPDATE – Q2 2020
June 4th, 2020

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

5.25 MM Gallon Storage Tank

Current
Inventory as of
6/1/2020
***1,300,000
Gallons of LNG***





North Pole Storage Site

Cornerstone Contracting Inc. continues work onsite and has completed concrete work for the multi-purpose building, tank impoundments and production area. Excavation and installation of utility connections underway.

TITAN EXPANSION PAUSE

Based on the review of:

- **Future Heating Oil Costs**
- **Projected Demand**
- **Security of Supply and impacts on effective capacity**
- **Risks**

It was recommended that the IGU Board continue to pause action on Resolution 2020-04 related to the LNG Facility Expansion Investment Decision, and that IGU management continue to advance alternative supply options and monitor changes in the Oil market and demand projections.

It was further recommended that IGU proceed immediately with an approximately \$10 Million dollar Bond Issuance to cover investments related to new customer service lines and meters in North Pole and Fairbanks and related small main line extensions.

Marketing & Service Activities

Current & Upcoming Marketing Activities:

- Video Tour with Mayor Ward
- UAF Principles of Marketing
- Social Media
- FNSB Targeted Airshed Grants
- C-PACE
- Conversion Group

2019 Service Line Installs:

◦ Commercial	20
◦ Residential	30
◦ Total	50

2020 Service Line Applications:

◦ Commercial	45
◦ Residential	82
◦ Total	127



**Service line
installations
begin
this June.
Sign up now!**



interiorgas.com

Financing Activities

3/5/2020 – AIDEA Bond Approval

3/9/2020 – Fitch Rating Agency BBB-
Interior Gas Utility Project Revenue Bonds

Finalizing \$10MM Bond Offering

Next Steps...



- Complete North Pole Storage Site construction
- Begin service & meter installs for the 2020 construction season
- File application for FNG & IGU CPCN merger & complete entity consolidation
- Finalize Gas Supply contracts
- Monitor markets & economy for Liquefaction Expansion timing

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