



March 20, 2019

The Honorable Representative Grier Hopkins  
Alaska State Legislature  
Juneau, Alaska 99801

Re: Support for HB87 – Liquefied Natural Gas Storage Tax Credit

Dear Chair Hopkins and members of the House Energy Committee,

The Greater Fairbanks Chamber of Commerce supports the Interior Gas Utility's efforts to provide clean-burning natural gas to as many people as possible and at the lowest possible cost. We urge you to support extending the commercial operational date of the Liquefied Natural Gas (LNG) Storage Gas Tax Credit as currently described in House Bill 87.

The Interior has struggled with poor air quality for years and has been identified by the Environmental Protection Agency as having significant air quality issues. We must find new means to improve the air quality for residents.

The Interior Gas Utility (IGU), as a public utility, has been tasked to bring affordable clean-burning natural gas to the Interior as soon as possible, as fast as possible, and at the lowest possible cost. Under its plan to deliver gas to Interior residents the IGU has installed a distribution system and has vigorously worked to increase the supply of natural gas to the Interior. As part of this project, a large 5.25 million gallon LNG storage tank is currently being constructed. Construction of an LNG facility in North Pole is scheduled to begin this summer. The community and the IGU are committed to this project and see it as potentially having the greatest impact on improving the quality of air to the Interior.

Recognizing the importance of delivering natural gas to the Interior region, the legislature established a Liquefied Natural Gas Storage Facility Tax Credit. The tax credit (available throughout the state) is a key component in helping deliver gas to Interior residents at the lowest possible cost. Currently, to qualify for the tax credit, a storage facility must be in commercial operation prior to January 1, 2020. HB87 extends the date for commercial operation to June 30, 2021. This

## EXECUTIVE PARTNERS

### DIAMOND

Alaska Airlines  
Denali State Bank  
Foundation Health Partners  
Fairbanks Memorial Hospital, TVC  
Orthopedics & Sportsmedicine  
Lockheed Martin  
Mt. McKinley Bank  
Vivlamore Companies

### PLATINUM

Alyeska Pipeline Service Co.  
ConocoPhillips  
Doyon, Limited  
Fred Meyer Stores  
GCI  
Golden Heart Utilities  
Kinross Fort Knox Mine  
MAC Federal Credit Union

### GOLD

Alaska Executive Search  
BP Exploration  
Carlson Center  
Design Alaska  
Doyon Utilities LLC  
ExxonMobil  
First National Bank Alaska  
Matson Alaska  
Northern Star Pogo LLC  
Ravn Alaska  
TOTE Maritime Alaska  
Usibelli Coal Mine  
WAL-MART Stores, Inc.  
Wells Fargo Bank Alaska  
Westmark Fairbanks Hotel &  
Fairbanks Princess Riverside Lodge

### SILVER

Ahtna Incorporated  
Alaska USA  
Alaska Railroad  
AT&T  
Everts Air Cargo, Everts Air AK  
Exclusive Paving/University Redi-Mix  
Fairbanks Daily News-Miner  
Fairbanks Natural Gas  
Flowline Alaska  
Gene's Chrysler, Jeep & Dodge  
Go Alaska Media, LLC  
Golden Valley Electric Association  
Hale & Associates, Inc.  
Hilcorp Alaska, LLC  
HUB International  
JL Properties, Inc.  
Key Bank  
LifeMed Alaska  
Lynden  
McDonald's of Fairbanks  
Northrim Bank  
Personnel Plus  
Seekins Ford Lincoln  
Sourdough Fuel  
Spirit of Alaska Federal Credit Union  
TDL Staffing  
Tower Hill Mines-Livengood Gold Project  
University of Alaska Fairbanks  
Verizon Wireless  
Yukon Title Company



will allow the IGU to install the North Pole storage tanks in an economically feasible manner. It is of the utmost importance that gas is delivered at the lowest possible cost in order to have the greatest impact on the poor air quality.

The Greater Fairbanks Chamber of Commerce represents over 700 business members throughout Interior Alaska. We work to advocate for the best business environment, promote economic strength and growth for Interior Alaska, and to develop the resources and networks enterprising people use to share knowledge.

Respectfully,

A handwritten signature in black ink that reads "Marisa Sharrah".

Marisa Sharrah  
President/CEO

A handwritten signature in black ink that reads "Rebecca Dean".

Rebecca Dean  
Board Chair