



Sponsored by: Mayor Gabriel, Vice Mayor Navarre
Council Members Molloy, Glendening, Pettey, Knackstedt, Peterkin

CITY OF KENAI

RESOLUTION NO. 2018-65

A RESOLUTION OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, SUPPORTING THE LOCATION OF THE ALASKA GASLINE DEVELOPMENT CORPORATION'S ALASKA LNG LIQUEFACTION PLANT AND MARINE TERMINAL IN NIKISKI, ALASKA

WHEREAS, the history of Alaska Gasline Development Corporation (AGDC) dates to 2009 when declining Cook Inlet gas supplies caused concern in communities throughout Southcentral Alaska; and,

WHEREAS, in 2013 the Alaska State Legislature formally established AGDC to advance an in-state natural gas pipeline; and,

WHEREAS, in 2014 the mission and authority of AGDC expanded to include having primary responsibility for developing an Alaska liquefied natural gas (LNG) project on the State's behalf; and,

WHEREAS, in April 2014 AGDC joined with ExxonMobil, BP, and ConocoPhillips to become a twenty-five (25) percent owner in the AK LNG Project; and,

WHEREAS, in December 2016 AGDC assumed one-hundred (100) percent of the responsibility to progress an Alaska LNG project to build the infrastructure necessary to monetize North Slope natural gas resources; and,

WHEREAS, in April 2017, AGDC filed its application with the Federal Energy Regulatory Commission (FERC) to construct and operate the Alaska LNG project; and

WHEREAS, in May 2017, FERC deemed the application complete; and,

WHEREAS, the application submitted to FERC identifies Nikiski, Alaska, as the preferred location for the LNG plant and marine terminal; and,

WHEREAS, the City of Kenai is the closest incorporated City and will be the most directly impacted by the proposed LNG Project; and,

WHEREAS, in March 2018, FERC issued the Notice of Schedule for the Alaska LNG project; and,

WHEREAS, the Alaska LNG project will bring great benefits to the people of Alaska in revenues to the state and municipalities, guaranteed supplies of gas for in-state use, jobs for Alaskans and Alaska business through construction and operation, and continued in-state exploration for natural gas; and,

WHEREAS, the Alaska LNG project will increase trade for Alaska businesses around the world; and,

WHEREAS, public ownership of a natural gas pipeline offers certain advantages over private ownership including exemption from Federal income taxes that improve project economics.


NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA:

Section 1. That the Kenai City Council supports AGDC's application to FERC with the siting of the LNG plant and marine terminal in Nikiski, Alaska.

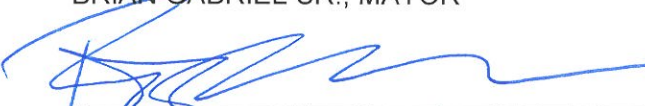
Section 2. That copies of this resolution be sent to U.S. Senator Lisa Murkowski, U.S. Senator Dan Sullivan, U.S. Congressman Don Young, Alaska Governor Mike Dunleavy, Alaska Senator Peter Micciche, Alaska Representative Gary Knopp, Alaska Representative Mike Chenault, Alaska Representative-Elect Benjamin Carpenter, and Kimberly D. Bose, Secretary of the Federal Energy Regulatory Commission.

Section 3. That this resolution takes effect immediately upon passage.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 5th day of December, 2018.


BRIAN GABRIEL SR., MAYOR


TIM NAVARRE, VICE MAYOR


ROBERT MOLLOY, COUNCIL MEMBER


GLENEASE PETTEY, COUNCIL MEMBER


JIM GLENDENING, COUNCIL MEMBER


ROBERT PETERKIN II, COUNCIL MEMBER


HENRY KNACKSTEDT, COUNCIL MEMBER

ATTEST:


Jamie Heinz, CMC, City Clerk





"Village with a Past, City with a Future"

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MEMORANDUM

TO: Kenai City Council Members
FROM: Brian Gabriel, Kenai City Mayor
DATE: November 28, 2018
SUBJECT: **Resolution No. 2018-65 – Supporting the location of the Alaska LNG liquefaction plant in Nikiski**

The Alaska Gasline Development Corporation (AGDC) filed its application with the Federal Energy Regulatory Commission (FERC) in April of 2017 to construct and operate the Alaska LNG project and identified Nikiski as the preferred location. Nikiski was chosen as the location after an exhaustive engineering effort that included the consideration of several other locations for the terminus including Port MacKenzie located in the Matanuska Susitna Borough.

According to AGDC, if the plant were constructed at the Port MacKenzie location, the existing barge dock would have to be re-built, the existing deep-water dock would need to be removed, and the haul road leading to the site would need to be widened and lengthened significantly, as well as be re-built to lessen the current steep incline. Additionally, they would face construction delays at the location because of wider tidal fluctuations, stronger tidal currents, and ice movement that would slow down deliveries and offloading of project materials.

Successful completion of this project will bring significant benefits to the people of Alaska in revenues, gas for use in-state, jobs for Alaskans, and continued exploration for natural gas. The Nikiski site is the most practical site to locate the Alaska LNG liquefaction plant and ensure this important project comes to completion.

Your consideration is appreciated.

