

KENAI PENINSULA BOROUGH

Kenai Peninsula Borough Assembly

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Gary Knopp, Assembly President
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MEMORANDUM

TO: Gary Knopp, Assembly President
Kenai Peninsula Borough Assembly Members

FROM: Bill Smith, Assembly Member *Bill Smith*
Mako Haggerty, Assembly Member *M. Haggerty*

DATE: September 20, 2011

RE: Resolution 2011-098, a resolution requesting Governor Parnell to include in his capital budget funds sufficient to complete the construction of a natural gas pipeline from Anchor Point to Kachemak City

The energy costs in Anchor Point, City of Homer, Kachemak City and points between are very high compared to neighboring communities served by natural gas. Public facilities, including a hospital, six schools, two fire stations, two city halls and numerous other public facilities owned by local government, the state and the federal government will benefit by having heating costs reduced by more than 50 percent when converting to natural gas. Some buildings heated by electricity will see a reduction of more than 75 percent.

The private sector will similarly benefit, both in businesses and private homes. Non-government organizations like churches and non-profits will also benefit with reduced operating costs.

The Kenai Peninsula Borough School District will be the single largest beneficiary and listed this project as a priority request in its legislative budget request. The calculated savings for one facility, Homer High School, is \$108,000 per year.

The funding request will complete the pipeline needed to bring natural gas within economically feasible reach of these communities. Main extensions to serve neighborhoods will be paid for by the users or by the communities working through municipal funding programs.

Your consideration of this resolution is appreciated.