

Resolution 12-017 Support for a One Dollar Per Mcf Tariff Increase on Price of Natural Gas as a Local Contribution to Cost of Gas Line

Resolution ID: 12-017

Resolution Status: Adopted

Resolution Effective Date: Mon Feb 27th, 2012

Resolution Summary:

A Resolution of the City Council of Homer, Alaska, Expressing Support for a One Dollar Per Mcf Tariff Increase on the Price of Natural Gas in the Area Served by the Proposed South Peninsula Natural Gas Pipeline as a Local Contribution to the Cost of Constructing the Line. City Manager.

CITY OF HOMER
HOMER, ALASKA

City Manager

RESOLUTION 12-017

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, EXPRESSING SUPPORT FOR A ONE DOLLAR PER MCF TARIFF INCREASE ON THE PRICE OF NATURAL GAS IN THE AREA SERVED BY THE PROPOSED SOUTH PENINSULA NATURAL GAS PIPELINE AS A LOCAL CONTRIBUTION TO THE COST OF CONSTRUCTING THE LINE.

WHEREAS, Capital funding for a natural gas transmission line from Anchor Point to the Homer area has been approved by the Legislature but vetoed by the Governor in each of the past two years; and

WHEREAS, The Governor has stated that he wanted to see a local contribution toward construction of the transmission line independent of and separate from the local financing for the distribution system that would also be necessary; and

WHEREAS, It has been determined that a one dollar per mcf tariff increase that was approved by the Regulatory Commission of Alaska for a different project to bring natural gas to Homer is still active and could be applied to this project; and

WHEREAS, The proposal on the table for consideration by the Governor is that local gas consumers would pay a one dollar per mcf increase in the price of natural gas until \$2.5 Million dollars is raised; projected by Enstar to be approximately 10 years; and

WHEREAS, Enstar Natural Gas Company has expressed support for the concept and is willing to "upfront" the \$2.5 Million necessary to match the requested funding from the state.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby expresses its support for a one dollar per mcf tariff increase on the price of natural gas in the area served by the proposed South Peninsula Natural Gas Pipeline as a local contribution to the cost of constructing the line.

PASSED AND ADOPTED BY THE HOMER CITY COUNCIL this 27th day of February, 2012.

CITY OF HOMER

JAMES C. HORNADAY, MAYOR

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ATTEST:

JO JOHNSON, CMC, CITY CLERK

Fiscal Note: N/A

Resolution Files  [Resolution 12-015](#)

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