

Submitted by: Chair of the Assembly at the  
Request of the Mayor

Prepared by: Dept. of Law

For reading: September 27, 2011

CLERK'S OFFICE

**APPROVED**

Date: 9-27-11

**ANCHORAGE, ALASKA  
AR No. 2011-267**

**A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY AMENDING  
ASSEMBLY RESOLUTION 2009-195 WHICH AUTHORIZED MUNICIPAL LIGHT  
AND POWER TO NEGOTIATE AND ACQUIRE NATURAL GAS TO MEET ITS  
SHORT-TERM REQUIREMENTS NOTWITHSTANDING TITLE 7.**

WHEREAS, AR 2009-195 (attached) authorized ML&P to acquire gas outside of its reserves in the Beluga River Unit in the event of gas curtailment, interruption, or emergency, and allowed ML&P to do so outside of the competitive process otherwise required by Anchorage Municipal Code Title 7;

WHEREAS, the AR specifies that any agreement entered pursuant to the terms or the AR shall not extend beyond three years from passage and approval of the AR (August 11, 2009); and

WHEREAS, two pending agreements have one year terms and thus exceed by approximately one month the deadline authorized by the Assembly, now, therefore,

THE ANCHORAGE ASSEMBLY RESOLVES;


**Section 1.** The agreement termination date of August 11, 2012 in AR 2009-195 is extended to October 1, 2012.

**Section 2.** This resolution shall be effective immediately upon passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this 27<sup>th</sup> day of September, 2011.

  
Chair of the Assembly

ATTEST:

  
Municipal Clerk

CLERK'S OFFICE

**APPROVED**

Date: 8-11-09

**ANCHORAGE, ALASKA**

AR No. 2009-195

Submitted by: Chair of the Assembly at the  
Request of the Mayor  
Prepared by: Municipal Light & Power  
For reading: August 11, 2009

**A RESOLUTION AUTHORIZING MUNICIPAL LIGHT & POWER TO  
NEGOTIATE AND ACQUIRE, BY PURCHASE, EXCHANGE OR OTHER  
TRANSFER AGREEMENTS, NATURAL GAS TO MEET ITS SHORT-TERM  
REQUIREMENTS NOTWITHSTANDING TITLE 7.**

**WHEREAS**, Municipal Light & Power (ML&P) meets its natural gas requirements for electric power generation from its reserves in the Beluga River Unit (BRU) gas field; and

**WHEREAS**, gas curtailments, interruptions (e.g. planned or un-planned field maintenance, gas transportation system interruptions) or emergencies (such as a gas compressor trip or loss of production from wells) may occur at the BRU; and

**WHEREAS**, it is imperative to the health, safety and welfare of the Municipality for ML&P to have other gas supply arrangements in place to meet its generation needs, particularly during periods of peak seasonal demand when Cook Inlet gas availability and deliverability is severely strained; and

**WHEREAS**, declining BRU field production, coupled with existing contractual gas supply requirements, indicate that ML&P's share of production from the field may be insufficient to meet its full gas requirement on some heavy peak use days; and

**WHEREAS**, the terms and conditions precedent to acquiring short-term gas supplies to accommodate short notice gas supply requirements are dictated by Cook Inlet market and supply conditions; and

**WHEREAS**, ML&P has been unsuccessful in securing an alternate supply of natural gas through the normal competitive procedures under Title 7; and

**WHEREAS**, it is in the best interests of the Municipality and the public for ML&P to maintain continuous access to an uninterrupted flow of natural gas for its electric generating turbines at the most favorable terms: now, therefore,

1 **THE ANCHORAGE ASSEMBLY RESOLVES:**

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3 **Section 1.** Notwithstanding the competitive requirements of Title 7, ML&P is  
4 authorized to negotiate and acquire, by purchase, exchange or other transfer  
5 agreements, natural gas from producers on terms and conditions that the  
6 Municipality deems to be most favorable to it and ML&P customers.

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8 **Section 2.** Any agreement entered into pursuant to Section 1 resulting in  
9 cumulative payments to any single producer exceeding \$500,000 in any fiscal  
10 year shall be reported to the Assembly within 30 days in an informational  
11 memorandum; PROVIDED proprietary information which a producer reasonably  
12 requires to be kept confidential shall be omitted from such reporting.

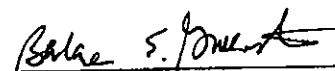
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14 **Section 3.** The term of any such agreement shall not extend beyond three (3)  
15 years from passage and approval of this resolution.

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17 **Section 4.** This resolution shall be effective immediately upon passage and  
18 approval by the Assembly.

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20 PASSED AND APPROVED by the Anchorage Assembly this 14<sup>th</sup> day of  
21 August, 2009.

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25 Chair of the Assembly  
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29 ATTEST:

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33 Municipal Clerk