

AGENDA  
ALASKA GASLINE DEVELOPMENT CORPORATION  
BOARD OF DIRECTORS  
REGULAR MEETING

November 25, 2013

9:00am

Anchorage/Juneau/Fairbanks

- I. CALL TO ORDER
- II. ROLL CALL
- III. APPROVAL OF AGENDA
- IV. APPROVAL OF MINUTES: October 30, 2013
- V. PUBLIC COMMENTS
- VI. NEW BUSINESS
  - A. PowerPoint Presentation to the Board by AGDC Staff Relating to ASAP Project
- VII. ANY OTHER MATTERS TO PROPERLY COME BEFORE THE BOARD
- VIII. ADJOURNMENT

The Chair may announce changes in the Order of Business during the meeting.



## Meeting Minutes

### ALASKA GASLINE DEVELOPMENT CORPORATION REGULAR BOARD OF DIRECTORS MEETING

October 30, 2013

12:00 pm

The Regular Board of Directors Meeting of the Alaska Gasline Development Corporation ("AGDC") was held at the Loussac Library, Wilda Marston Theater, 3600 Denali Street, Anchorage, Alaska on October 30, 2013, commencing at 12:00pm.

The following board members were present at the meeting (or attended via teleconference):

JOHN BURNS Anchorage	Member of the Board
RICHARD RABINOW Anchorage	Member of the Board
ALBERT BOLEA Anchorage	Member of the Board
DRUE PEARCE Anchorage	Member of the Board
DIANNE BLUMER Anchorage	Member of the Board
SUSAN BELL Anchorage	Member of the Board
DAVE CRUZ Anchorage	Member of the Board

- I. CALL TO ORDER.
- II. ROLL CALL. A quorum was declared present and the meeting was duly and properly convened for the transaction of business.
- III. APPROVAL OF AGENDA. President Dan Fauske asked for approval of the agenda. John Burns proposed the agenda as presented, Dave Cruz second.
- IV. MINUTES of June 19, 2013. John Burns so moved with the caveat that none of the current board members were present at that meeting, so cannot vouch one way or the other for the accuracy of those minutes. Dave Cruz seconded. Hearing no objections Dan Fauske stated the minutes approved.
- V. PUBLIC COMMENTS. In Anchorage: *Dan Coffey*, Chairman of the Mayor's Energy Task Force and a member of the Community Advisory Council voiced continued support of the ASAP Project. *Harold Heinze*, testified in support of the passage of the bill, applauded the Governor's appointment of well qualified and capable public board members and offered words of encouragement. *Tom Wright*, Chief of Staff to Speaker Chenault spoke in support of the pipeline project and felt fortuitous to have selected Dan Fauske and his team to head the project. In Fairbanks: *Merrick Pierce*, asked that the board do the due diligence so Alaska does not waste time and money and opportunity. Asked that they make recommendations to the legislature and governor, keep them informed and bring the people into the process.
- VI. NEW BUSINESS:
  - VI. A. OATH OF OFFICE. Ken Vassar, General Counsel stated that the Alaska Constitution and statutes require that members of the board take an oath of office. He asked that the board repeat the oath after him, whereupon, the Alaska Gasline Development

## Meeting Minutes

- Corporation Board of Directors, having been duly sworn and/or affirmed, executed the Oath of Office. Each board member signed their Oath of Office and turned them into Ken Vassar.
- VI. B. ELECTION OF OFFICERS. The board members discussed which positions to elect and how to elect them. It was determined to elect a chair at this meeting and wait until the Bylaws have been re-written to elect any other positions. Drue Pearce nominated John Burns for chair and the motion was second by Susan Bell. Al Bolea was nominated for chair by Richard Rabinow, Al asked that the nomination be withdrawn, Richard withdrew his nomination. Richard Rabinow moved for approval by acclamation. John Burns was elected Chairman of the Board by voice nomination.
- VI. C. CONFIDENTIALITY AGREEMENT. Ken Vassar explained to the board members the confidentiality agreement is their commitment as board members to maintain the confidentiality of information that they receive as confidential information. The corporation is involved with other entities whom have shared information with us and asked that we keep it confidential. Joe Dubler briefed the board members about SharePoint and where they can find information the corporation has determined is confidential.
- VI. D. PERSONAL LIABILITY FOR BOARD MEMBERS. Ken Vassar stated that the Alaska statutes do cover the board members against personal liability for their service as members of the board, but there is a limit on it. The limit is willful, reckless, or intentional misconduct, and acts performed with gross negligence. Ken introduced Cortney Kitchen who prepared the memorandum, and works for Birch Horton Bittner & Cherot. She was present to answer any questions the board members had about the memorandum.

## Meeting Minutes

- VI. E. ESTABLISH BOARD CALENDAR. The board members were presented with an annual board calendar from AHFC. They were asked to set a board calendar for the next few months that does not conflict with AHFC's calendar so AGDC can use their board room.
- VI. F. EXECUTIVE SESSION. Ken Vassar led the board members into executive session by stating "the proposed language of the motion would be that the board convene an executive session to discuss matters that are the subject of certain confidentiality agreements to which AGDC is a party. The terms of the confidentiality agreements require that the subjects of the confidentiality agreements and even the existence of the confidentiality agreements be kept confidential, therefore it is not possible to identify any details of the matter to be discussed without defeating the purpose of addressing the subject in private." No actions will be taken during executive session. Dave Cruz moved to accept the motion to go into executive session, Drue Pearce second the motion.
- VII. ANY OTHER MATTERS TO PROPERLY COME BEFORE THE BOARD. Back in public session. Chairman Burns will work with Gwen Graham and Dan Fauske to coordinate a calendar for the next board meeting.
- VIII. Chairman Burns motioned to adjourn, Dick Rabinow moved and Dave Cruz second.

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John Burns, Chairman of the Board

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Date

# ASAP

Alaska's In-State Gas Pipeline

## Project Update to Board of Directors

Presented by: ASAP Project Team  
November 25, 2013



# ASAP Update

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1. Introduction
2. AGIA limitation
3. ASAP scope, schedule and budget
4. Open season
5. Engineering
6. Regulatory
7. Construction and operations
8. Contracting
9. Work ahead
10. Issues/opportunities



# AGIA Limitation

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Alaska Gasline Development Corporation | 3201 C Street, Suite 200 | Anchorage, AK 99503  
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# AGIA overview and its impacts on ASAP

## 500 Mmscf\* limitation

- AS 43.90.440(a) provides project assurance to an AGIA licensee by entitling it to payment from the state, if the state extends certain incentives to a “competing natural gas pipeline project.”
- AS 43.90.440(c)(1) defines “competing natural gas pipeline project” as “a project designed to accommodate throughput of more than 500,000,000 cubic feet a day of North Slope gas to market.”
- AS 43.90.900(16) “North Slope” means that part of the state that lies north of 68 degrees North latitude.

\* Mmscf = Million standard cubic feet

# Alaska Statute (AS) 31.25 and ASAP

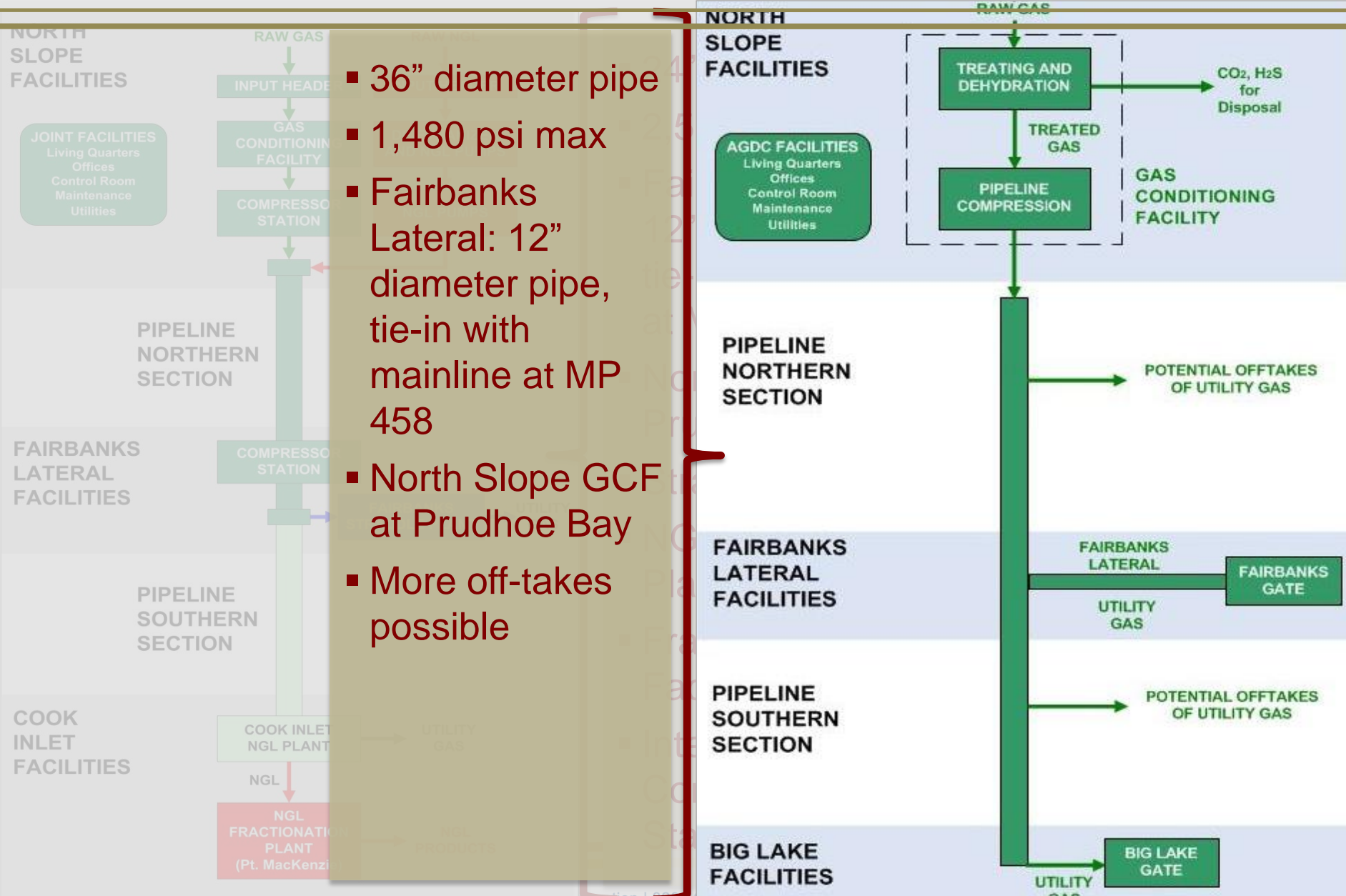
- Alaska Gasline Development Corporation (“AGDC”) Statute
- AS 31.25.080(c): The corporation may not develop or construct a natural gas pipeline that is a competing natural gas pipeline project for purposes of AS 43.90.440.
- AS 31.25.080(f): The corporation shall, to the maximum extent practicable without delaying the progress of developing an in-state natural gas pipeline project and without causing the in-state natural gas pipeline project to become a competing natural gas pipeline project for purposes of AS 43.90.440, coordinate with and accommodate the developers of a large-diameter in-state natural gas pipeline by planning for the development and use of common pipeline facilities from the North Slope to the Livengood area or to another point from which a large-diameter in-state natural gas pipeline may be constructed south to tidewater in either the Prince William Sound or Cook Inlet area. In this subsection, "large-diameter in-state natural gas pipeline" means a pipeline in the state with a diameter of 42 inches or more.

# Scope/Schedule/Budget

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# 2011 Plan vs. Optimized Project Scope



- 36" diameter pipe
- 1,480 psi max
- Fairbanks Lateral: 12" diameter pipe, tie-in with mainline at MP 458
- North Slope GCF at Prudhoe Bay
- More off-takes possible

# Optimized Project Plan Benefits

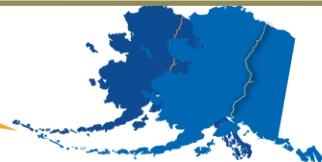
- Eliminated facilities - compressor station(s), straddle plants, NGL extraction and fractionation, de-ethanizer
- Increased pipe diameter with lower operating pressure is industry standard - pipe & equipment readily available
- Less risk with fewer facilities, standardized equipment, and greater system reliability
- Total cost of the processing facilities is much lower
- Propane extraction still available for in-state demand
- Design process straightforward – less cost and improved schedule
- Lower O&M costs
- More off-take points will maximize gas access for Alaskans
- Stand-alone system is not dependent upon downstream facilities
- Lower Fairbanks tariff



# Optimized Project Tariff Update

- Longer term: 30-year levelized vs. original 20-year
- Updated capital cost estimates with more appropriate contingency
  - Pipeline now 10% vs. 5% (facilities 30%)
- Equity share and return on equity adjusted
  - Debt/equity split now 75/25 vs. 70/30
  - ROE 11% vs. 12%
- Year delay (\$2011 -> \$2012)
- 2.5% inflation per year

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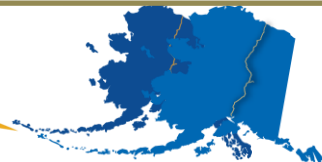


# ASAP Costs

- **Cost to Alaskans:** \$400M up-front to be recovered through gas royalty and taxes
- **Cost Benefit:** Long-term natural gas supply for Alaskans
- **Project Cost:** \$7.7 Billion\* in 2012 dollars, +/- 30%
- **Cost of Gas to Consumers** (burner tip)
  - **Anchorage**
    - Optimized \$ 9 - 11.25/MMBtu in 2012 dollars
    - Base case \$ 9.63/MMBtu in 2011 dollars
  - **Fairbanks**
    - Optimized \$ 8.25 - 10/MMBtu in 2012 dollars
    - Base Case \$ 10.45/MMBtu in 2011 dollars

\*Each year the project is delayed, 2.5% inflation is added to the cost of the project

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# Scope/Schedule/Budget: Schedule

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Activity Name	Start	Finish	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	
			Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q
<b>Level 1</b>	26-Apr-10 A	30-Dec-20	[Gantt bar from 2010 to 2021]												30-Dec-2
<b>Major Milestones</b>	26-Apr-10	30-Dec-20	[Gantt bar from 2010 to 2021]												30-Dec-2
Alaska Legislature - CSHB-369(FIN) In-State Gasline Plan Approved		26-Apr-10 A	◆ Alaska Legislature - CSHB-369(FIN) In-State Gasline Plan Approved												
Alaska Gasline Development Corporation (AGDC) Created - by AHFC		14-May-10 A	◆ Alaska Gasline Development Corporation (AGDC) Created - by AHFC												
FEL-1 Start	01-Jul-10 A		◆ FEL-1 Start												
Project Plan Presented to Alaska Legislature / FEL-1 Complete / FEL-2 Start		01-Jul-11 A	◆ Project Plan Presented to Alaska Legislature / FEL-1 Complete / FEL-2 Start												
SOA27th Legislature - House Passes HB9		27-May-12 A	◆ SOA27th Legislature - House Passes HB9												
Approval of Legislative Package - HB4		21-May-13 A	◆ Approval of Legislative Package - HB4												
Fiscal Certainty Obtained		30-May-14	◆ Fiscal Certainty Obtained												
Ownership Determined		03-Nov-14	◆ Ownership Determined												
Start Open Season	27-Jan-15*		◆ Start Open Season												
Successful Open Season Completed		30-Mar-15	◆ Successful Open Season Completed												
Obtain SEIS approval and ROD		01-Jun-15	◆ Obtain SEIS approval and ROD												
Project Sanction		24-Feb-16*	◆ Project Sanction												
Complete Detailed Pipeline Engineering		28-Jun-17	◆ Complete Detailed Pipeline Engineering												
Complete Detailed Facility Engineering		23-Aug-17	◆ Complete Detailed Facility Engineering												
Sealift - NS Arrival		13-Aug-19	◆ Sealift - NS Arrival												
Commissioning/Start-Up		14-May-20	◆ Commissioning/Start-Up												
First Gas		30-Dec-20	◆ First Gas												
Full Capacity		30-Dec-20	◆ Full Capacity												

■ Actual Work     ■ Critical Remaining Work  
■ Remaining Work     ◆ Milestone

Date	Revision	Checked	Approved
13-Aug-13	Rev 0	DMT	DWH

# Scope/Schedule/Budget: AGDC and ASAP Budgets

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# AGDC and ASAP Budget

## Alaska Gasline Development Corporation (AGDC) FEL 2 - 3 Funding Appropriated

\$MM	FY14	FY15	FY16	FY16+	Total
	Total AGDC	85	138	107	
Other SOA Agencies (DOL, DNR, DEC, DOT&PF)	2	3	5	16	25
Total HB4 Fiscal Notes	87	141	111	16	355
Prior Year Re-Appropriation				16.5	16.5
FY14 + Funding	87	141	111	32	372
October Latest Estimate (LE)	62				

# AGDC Expenditures

- AGDC audited financial statements available: <http://asapgas.agdc.us/reports.html>

AGDC Project to Date Expenditures				
October 2013				
\$MM				
FY11	13.7			
FY12	17.5			
FY13	16.5			
FY14 YTD	15.0			
Fixed Assets	0.7			
Total Spend	63.4			
Note: Excludes expenditures prior to AGDC.				

# AGDC Operating Budget

- Governor's annual operating budget process:
  - AGDC provides personal services costs, organization chart, and interest earnings required
  - Heads-up meeting with OMB early September
  - Final AGDC personal services costs to OMB early December
  - Governor's budget released December 15
  - Governor's amended budget due to OMB January 15
  - Legislature convenes January 21 – AGDC presents project updates

# Open Season

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# Open Season Process

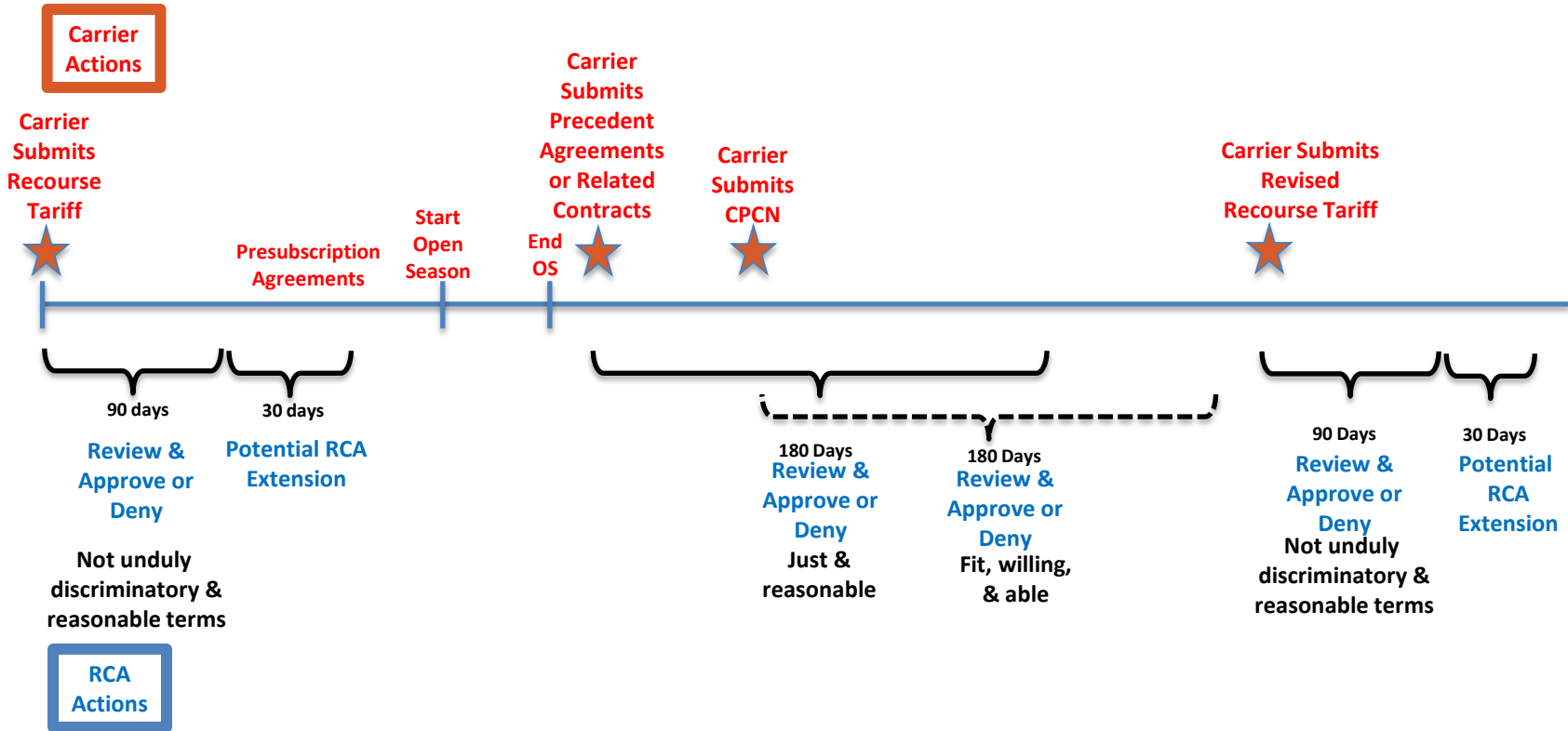
- AGDC files a Recourse Tariff (including Open Season process) with Regulatory Commission of Alaska (RCA)
  - Stakeholder input incorporated by AGDC into ASAP tariff rate design / services offered
- RCA reviews and approves Recourse Tariff and Open Season procedures
  - Sets 90 day timeline (potential 30 day extension)
  - Ensures no undue discrimination
  - Reviews supporting cost study and assumptions
- AGDC holds Open Season
  - Committed capacity bids
  - Precedent agreements (PAs)
- RCA reviews and approves contracts
  - 180 days to review
  - PAs, presubscription agreements
  - Recourse rate / negotiated rates
  - “Just and reasonable” criteria -> “arms length”

# RCA Review of ASAP Recourse Tariff

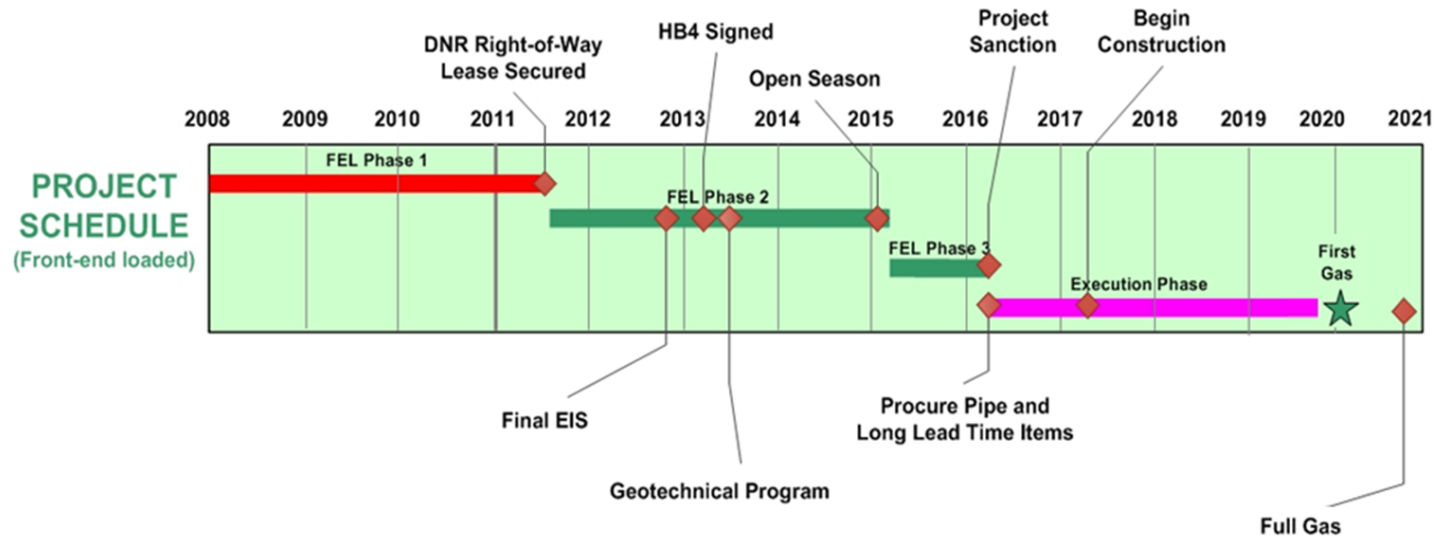
- ASAP required to submit to the RCA a complete Recourse Tariff, including procedures for conducting an Open Season
    - Tariff
      - Services offered
      - Rates / rules / regulations / terms and conditions of service
      - Cost of service based rates, levelized over depreciable life of pipeline based on cost study
      - Method for awarding, or not awarding, pipeline capacity
      - Include a mechanism to provide additional relevant information requested by potential shippers
      - Other characteristics needed to evaluate the proposed service – as determined by ASAP
    - Form of PA
    - Form of the FTSA
    - Pipeline specific information (e.g., receipt and delivery points)
  - ASAP may contract to provide FT for rates and containing provisions different than those in the Recourse Tariff
- ASAP may enter presubscription agreements before the start of an Open Season, but not before an initial Recourse Tariff is approved
  - Presubscription agreements are subject to the methods for awarding capacity set out in the Open Season notice



# RCA Review Timeline



# Open Season Schedule



- Major Schedule Milestones:

- September 1, 2014 – Submit initial ASAP Recourse Tariff to RCA
- January 31, 2015 – Initiate ASAP Open Season
- March 31, 2015 – ASAP Open Season ends
- June 1, 2015 – Submit Precedent Agreements and supporting documentation to RCA

# Engineering

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# Pipeline Engineering

- Michael Baker Jr. Inc. with support from CH2M Hill
  - Key staff located in Alaska
    - Personnel/teams from other offices as required
  - Specialty Subcontractors in such areas as:
    - Corrosion Protection
    - Field Geotechnical Drilling
    - Geotechnical Laboratory – Arctic testing
    - Climatic Baseline and Arctic Heat Transfer
    - Seismicity
    - Pipeline Integrity Assurance
- Key state agencies are assisting in areas:
  - DGGs – Seismic Fault Field Studies
  - DOTPF – Right of Way and Bridges

# Pipeline Engineering - Field Programs

- 2013 Field Program complete
- Ten different route areas south of Yukon River
  - Denali Park area, Nenana to Rex area, Willow to terminus, Parks Highway Road and Rail crossings
  - Two geophysical programs (Denali and Yukon)
  - Hundreds of boreholes completed
  - Frost heave testing of select samples
  - Extensive terrain unit verification
  - All information collated in GIS
- Winter 2014 program
  - South of Nenana, Minto Flats, and strategic locations North of Livengood, including Gas Conditioning Facility site

# Pipeline Engineering - Rev6 Alignment

- Alignment revisions needed to address
  - Problems with Rev5 – side-hill stability, unstable thermal state, proximity to route avoidance features
  - Local optimizations ( e.g. straighten line reducing field bends, moving away from identified developments...)
  - Construction assessments
- Extensive 2013 program
  - Review available mapping and propose potential alignment revisions
  - Potential revisions reviewed in the field to cull down to a single recommendation for each area
- 38 separate ROW segment revisions were proposed
  - Alternatives include avoiding AK DOTPF bridges, shifting route west of Nenana, Denali Park alternative, and shifting route to west side of Susitna River

# PHMSA - Strain Based Design Process

- Special Permit may be required from USDOT Pipeline and Hazardous Materials Safety Administration (PHMSA)
- Special Permit is required (per the Code of Federal Regulations) to address Strain-Based Design (SBD)
- SBD establishes plans and criteria to address locations where the pipe may operate above the Specified Minimum Yield Strength (SMYS) of the pipe material due to:
  - Thaw settlement
  - Frost heave
- Arctic SBD is new area for PHMSA
- ASAP and PHMSA establishing protocol for over two years
- ASAP work on SBD separated into two distinct efforts:
  1. Strain demand - the potential strain that could develop in the pipe due to hazards identified along the ASAP route
  2. Strain capacity - the ability of the pipe material to safely resist the imposed displacement

# Pipeline Materials

- Completed preliminary material specifications and fracture control analysis
- Soliciting interest from potential pipe vendors:
  - Berg Europipe, JFE Steel, Sumitomo/Nippon
  - Interest in mainline pipe to withstand potential arctic route hazards
  - Each vendor to provide 10 pipe sections for testing
- Planned material testing includes:
  - Small scale testing for material properties (steel strength, fracture toughness, welding procedures)
  - Analytical “testing” to calibrate material tests to material response predictions
  - Full scale testing for verification of response predictions
    - Full scale testing of pressurized 36” pipe only available at two locations in North America



# Facilities Engineering

- Arctic Solutions Selected as Design Contractor
  - JV of Fluor and Worley Parsons Formed for N. Slope Projects
- Started Pre-FEED February, 2013
- Class IV Estimate Complete April 2014
- Peak Manning of 31 FTE's/ 110 Total Involved
  - Exceptionally Efficient Use of Part Timers
  - Several Taken Directly Off North Slope Projects

# Gas Conditioning Facility

- 2 X 250MMSCFD Trains
- Processing/Power Generation/Support Facilities
- Based on Prudhoe Bay Unit Gas
- Close Proximity to Central Gas Facility
- Physical Solvent Process Selected to Remove CO<sub>2</sub> and H<sub>2</sub>S
- Dry Process-Much Easier to Operate
- Modular Construction in Shipyards
- +/- 65,000 Tons of Modules

# Regulatory

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# Primary State and Federal Organizations

## State of Alaska

- Natural Resources
- Environmental Conservation
- Fish and Game
- Transportation and Public Facilities
- Labor and Workforce Development
- Public Safety
- Commerce, Community and Economic Development
  - Regulatory Commission
- Health and Social Services
- University of Alaska
- Alaska Railroad
- Mental Health Trust

## Federal Government

- Defense
  - Corps of Engineers
- Interior
  - Bureau of Land Management
  - National Park Service
  - Fish and Wildlife Service
  - Bureau of Indian Affairs
- Transportation
  - Pipeline and Hazardous Material Safety Admin.
- Homeland Security
  - Transportation Security Administration
  - US Coast Guard
- Environmental Protection Agency
- National Oceanic and Atmospheric Administration
  - National Marine Fisheries Service

# Federal Action - Supplemental Environmental Impact Statement

- Proposed Schedule
  - Initiation 3<sup>rd</sup> Qtr 2014
  - Completion 2<sup>nd</sup> Qtr 2015
- Schedule Impact Issues
  - Final Alignment - Assumed December 31, 2013
  - Significant Project Changes (Purpose and Need)
  - PHMSA Special Permit – Included in the SEIS
  - Sec.106 Cultural Resource/Programmatic Agreement
  - ANILCA Title XI

# Federal Action

## BLM Grant of Right-of-Way

- Right-of-Way application is still open
- Record of Decision (ROD) was not finalized
- Responsibility now resides with the Office of Pipeline Monitoring
- AGDC will continue to work with BLM to develop the grant with the same stipulations as the State ROW lease
- Issuance will be linked to the SEIS and the USACE Least Environmentally Damaging Practicable Alternative (LEDPA) - 3<sup>rd</sup> Qtr 2015

# Federal Action

## USACE Clean Water Act 404 Permit

- Proposed Schedule
  - Submit complete 404 application – 3<sup>th</sup> Q 2014
  - Receive the 404 permit – 3<sup>th</sup> Q 2015
- Schedule Impact Issues
  - Alignment changes
  - Ability to provide detailed land use information and associated material placement and quantities
  - West Dock dredging needs – decision timing
  - Section 106 consultation
  - Denali Alternative Route– USACE LEDPA and possible implementation of ANILCA Title XI

# State Action

## State Right-of-Way Lease Amendments

### 2013 Amendment

- Pipeline Origin
- Gas Conditioning Facility
- AS 42.08 - Contract Carrier
- Lease Covenants
- Pipeline Specifications
- Right-of-Way width, Construction and Operations

### 2014 Amendment

- Amend the ROW Lease to Reflect Alignment Modifications – Concurrent with BLM ROW



# State Action

## Air Quality Permitting Program

### Current Efforts

- Michael Baker Jr. and Arctic Solutions supplying minor source permitting needs for construction and permanent sources
- Conformity Determinations
  - Emissions inventory for PM 2.5 Fairbanks Non-Attainment Area
  - CO Maintenance Plan Review
- Regional Haze – providing information to ADEC for concurrence
- NEPA Support for Supplemental EIS Process
- GCF Major Source Permit
  - Assembling available meteorological, ambient and existing source emission data for preliminary background analysis of North Slope

# Construction and Operations

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# Construction Planning

- Project Management Team responsible for leading the procurement of each major contract including equipment and materials procurement and construction contracts
- Construction Contracting strategies will comply with AGDC/ASAP Policies and Procedures (currently under development and review)
- Construction contracting strategies (may include Lump Sum, T&M and Convertible contracts, etc.) will vary and will be structured to manage risk and obtain competitive cost
- A formal survey of labor and logistics services availability and cost will be conducted prior to tendering bids

# Construction Planning

- Prepare Construction Execution Plan (CEP) and estimate
- Prepare work products in each area
- Review TIC Estimate for completeness
- Develop plans and schedules
- Plan the ordering and delivery of pipeline materials
- Prepare CEP and estimate for entire facilities portion

# Operations Planning

- Operations Plans will cover three major areas:
  - Facilities
  - Pipeline
  - Integration
- Operations planning is preliminary, typical of projects in the FEL 2 stage of project development
- Operations planning resources are currently being identified

# Contracting

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# Procurement & Contract Administration

Develop and Implement Procurement Strategy:

- Pre-construction policies and procedures
- Source inspection plan
- Expediting plan
- Develop shop inspection requirements

# Procurement & Contract Administration

## Develop Contract Processes:

- Contractor & subcontractor qualifications
- Master Service Agreement (MSA)
- Identify & qualify vendors
- Develop contract & subcontract terms
- Manage all subcontracts



# Work ahead

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# Engineering Work Plans

- Work plans to support the Class III Pipeline Cost Estimate and Open Season requirements, as well as continuing activities to support ROW Construction include:
  - Pipeline Materials (Mainline Materials, pipe coatings, valves, pigging, ...)
  - Civil Materials Requirements (Access roads, workpads, storage yards, airstrips...)
  - Civil Material Sites (Identification, Volumes, access, regulatory support...)
  - Waterways (Identification, scour, bank migration, crossing plans...)
  - Logistics (Pipe and modules, construction support, fuel...)
  - ROW GeoHazards (Seismicity, Thaw Settlement, Slope Stability,...)
  - Owner Costs (personnel, engineering, BOO transition...)
  - Permanent Operation Facilities (OP Center, Maintenance...)
  - Field Geotechnical Programs (Boreholes, thermistor, site recons...)
  - GIS (Mapping, Permit support, Alignment sheets...)
  - Cost summary
  - ROW Acquisition

# FEL 2 Deliverables

- Selected project alternative
- Updated economic/financial analysis
- Project Execution Plan (PEP)
- Risk analysis and risk mitigation
- Cost and schedule estimates
- Safety, health and environmental reviews

# Staffing For Project Success

ASAP's project management team (PMT) must possess enough capabilities to perform the following functions:

- Ensure that the design can be constructed and operated
- Engage with regulators and stakeholders to ensure that the project can be constructed
- Oversee the project in a fashion to ensure cost, schedule, and capabilities requirements are met and ensure the corporate investment in the project is sound

The PMT organizational structure is a standard “hard matrix” organization encompassing the three major areas of work: pipeline, gas conditioning plant, and environmental, regulatory, and land (ERL), with supporting help from project support personnel from other support and corporate entities.

# Project Management Team Staffing Profile

	Q4 2013	Q1 2016
Project Management	3	3
Pipeline Engineering	6	21
Facilities Engineering	9	10
ERL	9	35
HSSE	1	3.5
Project Services	8	14
Construction Management	5	16
Interface Management	3	9
<b>Total PMT</b>	<b>44</b>	<b>111.5</b>
	<b>FEL-2</b>	<b>FEL-3</b>

# Issues/Opportunities

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# Issues Ahead

- Fiscal terms
- ANILCA Title 11
- Federal regulatory environment
- Shippers and buyers

# Questions

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