



Meeting Minutes

ALASKA GASLINE DEVELOPMENT CORPORATION REGULAR BOARD OF DIRECTORS MEETING

December 7, 2017

09:00am

A Regular Board of Directors Meeting of the Alaska Gasline Development Corporation ("AGDC") was held at the Alaska Gasline Development Corporation Board Room, 3201 C Street, Suite 604, Anchorage, Alaska, on December 7, 2017, convening at 09:00am.

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

DAVE CRUZ
Anchorage, AK

Chair of the Board

HUGH SHORT
Telephonic

Vice Chair of the Board

Joey Merrick
Anchorage, AK

Secretary/Treasurer

COMMISSIONER MARC LUIKEN
Anchorage, AK

Member of the Board

COMMISSIONER HEIDI DRYGAS
Juneau, AK - Telephonic

Member of the Board

WARREN CHRISTIAN
Anchorage, AK

Member of the Board

DAVID WIGHT
Anchorage, AK

Member of the Board

- I. CALL TO ORDER: Chair Cruz convened the meeting at 9:02am.
- II. ROLL CALL: A quorum was declared present and the meeting was duly and properly convened for the transaction of business.
- III. CHAIRMAN'S CHOICE: Chair Cruz deferred to Commissioner Luiken who asked all to remember today, which is known as Pearl Harbor Day.
- IV. APPROVAL OF AGENDA: Warren Christian moved to approve the agenda and Commissioner Luiken second. The approval of the agenda passed unanimously (7-0).
- V. MINUTES: Commissioner Luiken moved to approve board meeting minutes from October 23, 2017. Warren Christian second. The approval of the board meeting minutes from October 23, 2017 passed unanimously (7-0).
- VI. PUBLIC COMMENTS: Boardroom – None; Statewide – None
- VII. PRESIDENT'S REPORT: AGDC President Keith Meyer gave an economic overview of the Alaska LNG system and a commercial/regulatory/communications update. The overview and update consisted of the following:
 - a. capital structure
 - b. balancing three project drivers
 - c. market price
 - d. cost of infrastructure
 - e. North Slope netback
 - f. non-equity benefits to Alaska
 - g. G2G Transactions
 - h. Unified buyer/lender proposal(s)
 - i. AGDC joint agreements
 - j. Joint development agreement
 - k. PetroVietnam Gas
 - l. Korea Gas Corporation

m. Tokyo Gas Co. Ltd.

VIII. NEW BUSINESS – AGDC MANAGEMENT/OPERATIONAL ISSUES:

A. Committee Chair Updates:


Governance Committee – David Wight, chair of the Governance Committee, stated that the Governance Committee discussed the external audit for the last fiscal year completed by independent auditing firm BDO, as well as liability insurance coverage for the next year. The Committee also touched on the entire suite of insurance coverage for AGDC.

Technical Committee – Dave Cruz, chair of the Technical Committee, stated that the Technical Committee had a two-day meeting that focused on the FERC requirements. In addition, the Committee focused on permit/commercial/technical requirements.

Communications Committee – Commissioner Luiken, chair of the Communications Committee, stated that he thinks that the rest of the world believes that the gasline is a real project, but for some reason parts of the State of Alaska still show reluctance to believe. He asked for a more aggressive communication strategy by AGDC and its board members to help get the State to believe in the gasline and its potential.

- B. External Affairs Update: AGDC VP of Communications Rosetta Alcantra stated that her team has been busy working on presentations for the House Resources Committee hearings. In addition, her team has been working on the Legislative semi-monthly reports and focusing on providing materials for the individual meetings with legislators. Other focuses have included the following:
- a. Joint press conference with Governor Walker
 - b. Press releases
 - c. Statewide newspaper inserts
 - d. Talk radio
 - e. Community outreach

- f. Social media
 - g. Digital communication
 - h. Quarterly newsletter
- C. PROJECT UPDATE: Alaska LNG - Frank Richards, Vice President of Engineering and Program Management, gave an update on the continued discussions with key regulatory agency staff in Washington, D.C. In addition, work continues on the FERC Section 3 application and EIS process. His team's focus also remains on the LNG plant and marine facilities.
- ASAP - Work continues with the environmental, regulatory and land issues, as well as with engineering and project development.
- IX. FINANCIAL UPDATE: David Wight, chair of the Governance Committee, made a motion to approve the Fiscal Year end June 30, 2017 Financial Audit. Warren Christian second. The motion passed, none opposed. Philip Sullivan, Finance Manager, gave an update on the operating and capital budget through October 2017.
- X. EXECUTIVE SESSION: None
- XI. ANY OTHER ITEMS TO COME BEFORE THE BOARD: None
- XII. COMMENTS: Board members expressed their gratitude to the entire AGDC staff for all its hard work and long hours trying to make this project a success. They also acknowledged how well things are progressing with the pipeline thanks to outreach and public messaging.
- XIII. ADJOURNMENT: David Wight moved to adjourn, Warren Christian second, none opposed. The meeting adjourned at 11:23am.



Dave Cruz, Chair

3-8-18

Date