



Meeting Minutes

ALASKA GASLINE DEVELOPMENT CORPORATION REGULAR BOARD OF DIRECTORS MEETING

March 8, 2018

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 March 8, 2018, 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
Fairbanks, AK -Telephonic

Member of the Board

DAVID WIGHT
Houston, TX - Telephonic

Member of the Board

- I. CALL TO ORDER: Chair Cruz convened the meeting at 9:00am.
- 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 gave a safety briefing on spring thaw and stopping at intersections safely.
- IV. APPROVAL OF AGENDA: Commissioner Luiken moved to approve the agenda and Hugh Short second. The approval of the agenda passed unanimously (6-0).
- V. MINUTES: David Wight moved to approve board meeting minutes from December 7, 2017. Hugh Short second. The approval of the board meeting minutes from December 7, 2017 passed unanimously (6-0).

Joey Merrick arrived at 9:12am

- VI. PUBLIC COMMENTS: Boardroom – Dan Coffey, Richard McGahan; Statewide – Donald Bollock
- VII. PRESIDENT'S REPORT: AGDC President Keith Meyer gave a presentation overview on the following:
 - a. Old vs. New Structure of the Alaska LNG project
 - b. Evolving Objectives of each AGDC Department
 - c. Capital Costs and Project Structuring
- VIII. NEW BUSINESS – AGDC MANAGEMENT/OPERATIONAL ISSUES:
 - A. Committee Chair Update

Communications Committee – Commissioner Luiken focused his presentation on the scheduled community meetings along the pipeline corridor and getting people involved in the Alaska LNG project. He acknowledged that social media traffic related to the Alaska LNG project tripled in one month's time, demonstrating that

people are interested in the project and believe that it can be successful.

Technical Committee – Dave Cruz, chair of the Technical Committee, stated that the Technical Committee continues to concentrate its efforts on the FERC process, answering FERC’s questions, and explaining about Alaska LNG’s footprint.

External Affairs Update: AGDC VP of Communications Rosetta Alcantra discussed AGDC’s continued outreach to the Senate Joint Resources and Finance Committees, as well as meeting with the Mat-Su delegation. She explained that the community meetings, which Commissioner Luiken spoke about earlier, were actually a statewide project ranging from Nuiqsut to Unalaska. Alaskans are hopeful for Alaska LNG-related job opportunities and her team is collaborating with the Department Labor and Workforce Development to share information about training centers and other opportunities that Alaskans can benefit from.

- B. PROJECT UPDATE: Alaska LNG - Frank Richards, Vice President of Engineering and Program Management, gave an update on the continued discussions with FERC and other Federal agencies. He predicts that by the end of April approximately 91% of the FERC questions will be complete. His team has initially asked for clarity from FERC on an additional 21 questions. Other topics he addressed were as follows:
- a. meeting with the Matanuska Susitna Borough,
 - b. Alaska LNG Army Corps 404 Application,
 - c. filing of a petition for Incidental Harassment with the National Oceanic and Atmospheric Fisheries Division,
 - d. four special permits regarding PHMSA (environmental assessment),
 - e. a visit to China to meet with Sinopec, and
 - f. a visit to a module yard owned by Fluor and Sinopec.

- C. Commercial Update: Lieza Wilcox, Vice President of Commercial and Economics, gave an update on the project commercial structure, which included a hybrid merchant/tolling model. She also gave an activities update that included the following topics:
 - a. Joint Development Agreement,
 - b. Asia marketing activities,
 - c. Gas purchasing, and
 - d. Financing.
- D. Resolution 2018-01 – Authorizing the President to Formally Engage Investment Banks for Alaska LNG: this resolution will allow for AGDC to execute and finalize letter agreements with investment banks for project financing after the Governance Committee reviews them and on the condition that the Governance Committee may still refer the engagement letters to the entire Board if necessary. Hugh Short moved to adopt Resolution 2018-01, Joey Merrick second. The resolution passed unopposed (7-0).
- IX. FINANCIAL UPDATE: Philip Sullivan, Finance Manager, gave an update on the operating and capital budget through January 2018. Mr. Sullivan stated that AGDC requested Statutory Designated Program Receipt Authority (SDPR), which would allow AGDC to receive third party funds. AGDC is still waiting for a legislative decision about SDPR.
- X. EXECUTIVE SESSION: None
- XI. ANY OTHER ITEMS TO COME BEFORE THE BOARD: None
- XII. COMMENTS: None
- XIII. ADJOURNMENT: Hugh Short moved to adjourn, Joey Merrick second, none opposed. The meeting adjourned at 12:47pm.



Dave Cruz, Chair

4-12-18

Date