



Meeting Minutes

ALASKA GASLINE DEVELOPMENT CORPORATION REGULAR BOARD OF DIRECTORS MEETING

May 10, 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 May 10, 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 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 9:01am.
- 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 moment on the benefits of staying home while you are sick.
- IV. APPROVAL OF AGENDA: Joey Merrick moved to approve the agenda and David Wight second. The approval of the agenda passed unanimously (7-0).
- V. MINUTES: Commissioner Luiken moved to approve Board meeting minutes from April 12, 2018. David Wight second. The approval of the Board meeting minutes from April 12, 2018 passed unanimously (7-0).
- VI. PUBLIC COMMENTS: Boardroom – Dr. William Cox, Richard McGahan and Eugene Haberman; Statewide – None
- VII. PRESIDENT'S REPORT: AGDC President Keith Meyer gave a presentation on the following:
 - Communications – Alaska First
 - i. Community meetings with Department of Labor & Workforce Development (DOLWD)
 - ii. Gasline Workforce Plan
 - iii. Weekly DOLWD calls
 - iv. Labor and Benefits Working Group
- VIII. NEW BUSINESS – AGDC MANAGEMENT/OPERATIONAL ISSUES:
 - A. Committee Chair Updates
 - Technical Committee – Warren Christian said the AGDC team was on track to answer FERC's questions.
 - Commercial Committee – David Wight emphasized the importance that one of the three largest leaseholders of gas on the North Slope

committed its gas resources to Alaska LNG and that AGDC continues to work with the other two large producers.

Communications Committee – Commissioner Luiken stated that the committee discussed past and upcoming community meetings. The committee also discussed the outreach meetings and various trade shows.


Governance Committee – Hugh Short stated the committee focused on President performance metrics and Directors/Officers insurance.

- B. External Affairs Update: AGDC VP of Communications Rosetta Alcantra updated the Board about EAGR team activities, which included the following:
 - a. Legislative semi-monthly reports
 - b. Press releases
 - c. Newspaper insert
 - d. Community meetings
 - e. Community outreach
 - f. Social media
 - g. Digital communication
 - h. Project momentum - headlines

- C. PROJECTS UPDATE: Frank Richards, Senior Vice President of Program Management, focused his update on the following Alaska LNG and ASAP activities:
 - a. Federal Energy Regulatory Commission (FERC) Section 3 application & EIS process
 - b. USACE 404 application
 - c. Air permits
 - d. PHMSA
 - e. Pipe-in-Pipe special permit application
 - f. Design spill package
 - g. Technical team participation with JDA parties
 - h. Discussions with engineering, procurement and construction firms
 - i. AGDC metallurgy team advancement of pipe procedure scope
 - j. Kenai Spur highway re-route
 - k. Community meetings in Nikiski

- I. Meetings with Kenai Peninsula Borough Alaska LNG advisory council
 - m. ASAP's Environmental, Regulatory and Land (ERL) and Engineering components
 - D. Commercial Update: Lieza Wilcox, VP of Commercial and Economics, gave an update on the commercial team's negotiations on definitive agreements. The team continues to engage the parties of which AGDC has signed MOUs or LOIs. The team also continues negotiations with the upstream producers on gas supply agreements. Last, BP Alaska and AGDC agreed to key terms of a gas sales precedent agreement including price and volume.
 - E. Resolution 2018-02: AGDC Employee Participation in the Public Employees Deferred Compensation Plan of Alaska. David Wight moved to approve the resolution, Joey Merrick second. The motion passed unanimously (7-0).
- IX. FINANCIAL UPDATE: Philip Sullivan, Finance Manager, gave an update on the AGDC operating and capital budget through April 2018. He also presented AGDC's financial performance, including descriptions of Authorizations for Expenditure (AFEs) spending. In addition, Philip asked the Board to extend the previously approved AFEs.
- X. EXECUTIVE SESSION: Chair Cruz called for a motion to go into Executive Session to discuss continuing negotiations with upstream producers on the gas supply agreements. Hugh Short made the motion and Joey Merrick second. None opposed. Executive session convened at 11:30am and ended at 1:04pm.
- XI. ANY OTHER ITEMS TO COME BEFORE THE BOARD: None
- XII. COMMENTS: Commissioner Luiken expressed his appreciation on how AGDC managed its resources so that it can carry on work for another year.
- Hugh Short said Mr. Haberman's comments during public comments were valid and that AGDC would make better attempts to post the Board packets online within a reasonable time before a Board meeting.

XIII. ADJOURNMENT: David Wight moved to adjourn, Commissioner Luiken second, none opposed. The meeting adjourned at 1:10pm.



Dave Cruz, Chair

8-9-18
Date