

Fueling Alaska's Future

Alaska LNG took center stage during the World Gas Conference (WGC) in June, a triennial event that is the premier gathering of the international gas industry and draws attendees from around the globe. Over 12,000 delegates from more than 100 countries representing the entire gas value chain participated in this year's event in Washington, D.C.

Throughout the conference, AGDC advanced commercial negotiations with potential LNG buyers – including many Letters of Intent (LOI), Memoranda of Understanding (MOU), and Joint Development Agreement (JDA) parties – and met with engineering, procurement, and construction contractors, technical specialists, and equipment providers.

The WGC featured multiple Alaska LNG presentations throughout the week. AGDC Senior Vice President Frank Richards provided a detailed overview to conference attendees on the technical, regulatory, and commercial

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PHOTO: Senator Murkowski speaking at the 27th World Gas Conference

Alaska LNG is for Alaskans

Alaska's Legislature created AGDC for the benefit of all Alaskans. Our primary responsibility is to develop the infrastructure necessary to make the North Slope's vast, proven natural gas resources accessible to communities throughout state. We are advancing two North Slope gas pipeline projects on parallel paths – the Alaska Stand Alone Pipeline (ASAP) project and Alaska LNG – but only one will be built.

On June 22, we reached a major milestone in our work to realize the Legislature's vision of bringing gas to Alaskans when the U.S. Army Corps of Engineers (USACE) released its Final Supplemental Environmental Impact Statement (SEIS) for the ASAP project.

The ASAP project and Alaska LNG share many similar characteristics. Both include buried pipelines, share a common mainline alignment for over 80 percent of the route, and provide gas to residents of our state. Alaska LNG, however, includes a liquefaction component, which will enable the export of Alaska's North Slope natural gas resources as LNG to buyers across the Asia-Pacific region, creating billions of dollars in revenue for Alaska producers, contractors, and government.

With a Final SEIS in hand for the ASAP project, we are now turning our full attention to advancing Alaska LNG, which has gained considerable commercial momentum over the past few months.

We continue to make great strides advancing Alaska LNG through the regulatory process. AGDC's engineers and technical experts have responded to nearly 1,400 Federal Energy Regulatory Commission (FERC) Environmental data requests and agency comments. We will provide the final 14 responses to FERC by October, which will help ensure the Commission stays on schedule to issue its draft Environmental Impact Statement (EIS) in March 2019.

There are many moving parts to an infrastructure project as large as Alaska LNG. I am committed to keeping Alaskans fully informed of our progress as AGDC advances

the project through the regulatory process and continues commercial discussions with potential LNG customers.

On June 22, we reached a major milestone in our work to realize the Legislature's vision of bringing gas to Alaskans when the U.S. Army Corps of Engineers (USACE) released its Final Supplemental Environmental Impact Statement (SEIS) for the Alaska Stand Alone Pipeline (ASAP) project.

On July 11, AGDC Senior Vice President Frank Richards and AGDC Vice President Lieza Wilcox presented a project update to the Legislature's Joint House and Senate Resources Committee in Anchorage. Throughout the spring and early summer, a number of AGDC staff traveled to communities across Alaska to speak directly with residents. All of our public presentations are posted online at www.agdc.us/presentations for your review and my staff and I are available to answer your questions about the project.

After all, Alaska LNG is for Alaskans. This is your project and I want you to be a part of it.

Sincerely,



Keith Meyer



27th WORLD GAS CONFERENCE

WASHINGTON DC

JUNE 25-29 2018



FUELING ALASKA'S FUTURE (continued from page 1)

innovations of Alaska LNG. AGDC Economic Advisor John Tichotsky presented the project's ability to offer long-term price stability to LNG buyers – a key consideration for utilities that seek to mitigate price volatility for their customers.

Alaska's U.S. Senator Lisa Murkowski delivered opening remarks during a conference panel discussion on "Access to Sustainable Energy in Developing Economies." Alaska's Senior Senator told the audience, "In Alaska we are working hard to get the Alaska LNG project going, which is designed to move more than 20 million metric tons (MTPA) of LNG per year. America's massive supplies of clean-burning natural gas will help make global access to sustainable energy a reality."

The theme of this year's WGC, "Fueling the Future," is particularly pertinent to Alaska LNG. The monetization of North America's largest, stranded, proven natural gas resources through the development of the infrastructure necessary to bring the gas to market will fuel Alaska's future for the next 100 years.

Presentations available at: agdc.us/presentations.



PHOTO: AGDC Senior Vice President Frank Richards presents the technical, regulatory, and commercial innovations of Alaska LNG during a panel discussion at the World Gas Conference



Community Meetings

Throughout the spring and early summer, AGDC held community meetings across the state to introduce residents to Alaska LNG. The gatherings gave Alaskans opportunities to learn about Alaska LNG directly from staff intimately involved in the project.

In addition to hearing from AGDC staff about all aspects of Alaska LNG – from regulatory and commercial progress to job opportunities and access to lower cost energy for Alaskans – residents asked questions specific to their communities.

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PHOTO: AGDC President Keith Meyer addresses Alaskan's questions during a community meeting in Anchorage

COMMUNITY MEETINGS continued from page 3

Many of these community specific questions came from residents of Nikiski – the site for Alaska LNG’s 20 million tonne per annum liquefaction facility. Though the community will benefit from long-term job opportunities created by Alaska LNG, the community will also experience construction impacts associated with the project. The most notable of these disturbances is the realignment of a section of the Kenai Spur Highway – a major community thoroughfare. As Alaskans, AGDC staff recognize and appreciate the intrusion impacts like this will have on the lives of fellow Alaskans, which is why the Alaska LNG project team has held numerous community meetings throughout the year to keep residents apprised of project developments and solicit community feedback.



PHOTO: Alaskans had the opportunity to learn more about Alaska LNG and speak directly with AGDC staff during community meetings held spring and early summer

AGDC is committed to keeping all Alaskans informed. If you, your organization, or community would like to learn more about Alaska LNG directly from AGDC staff, please email AGDC at externalaffairs@agdc.us.



PHOTO: Alaskans read about the Alaska LNG project prior to a community meeting in Anchorage

Construction Industry Progress Fund

“The Construction Industry Progress Fund is pleased to join the Alaska Gasline Coalition to build momentum for this remarkable project. By conducting outreach in the construction community and beyond, the Construction Industry Progress Fund hopes to be a valuable asset to the Gasline Coalition in accomplishing this historic project.”

– Joey Merrick, Vice-Chair

BP Commits to Sell Gas to Alaska LNG

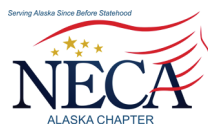
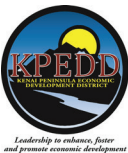
Alaska LNG reached a historic milestone on May 4, when AGDC and BP Alaska agreed to key terms of a Gas Sales Agreement (GSA), including price and volume. The terms are captured in a Gas Sales Precedent Agreement.

AGDC and BP Alaska anticipate finalizing a long-term GSA in 2018 for AGDC to purchase BP Alaska’s share of 30 trillion cubic feet (TCF) of gas from the Prudhoe Bay and Point Thomson units. BP Alaska operates the Prudhoe Bay Unit – the largest oil and gas field in North America – and owns a 26 percent share as well as a 32 percent share of the nearby Point Thomson Unit.

Arctic Slope Regional Corporation

“ASRC wants to be a part of a successful Alaska gas project and we are encouraged with the progress AGDC is making to deliver North Slope gas to markets.”

– Rex Rock, President & CEO



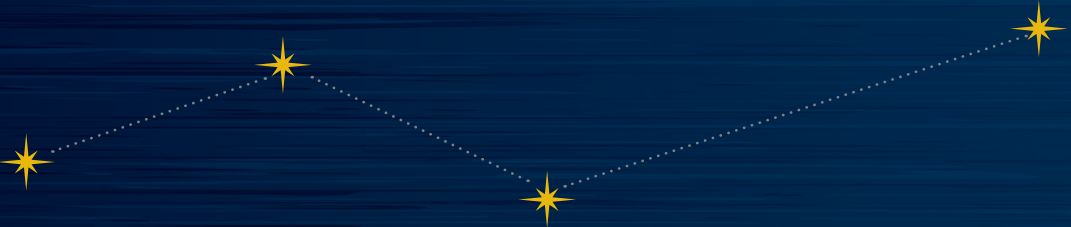
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Business and Labor Groups Support Gasline ✨

A diverse group of Alaskan organizations have come together to support Alaska LNG. Initial members of the Alaska Gasline Coalition represent business and labor groups from across the state.

Members of the coalition support AGDC's work to develop Alaska LNG because the project will provide opportunities for all Alaskans.

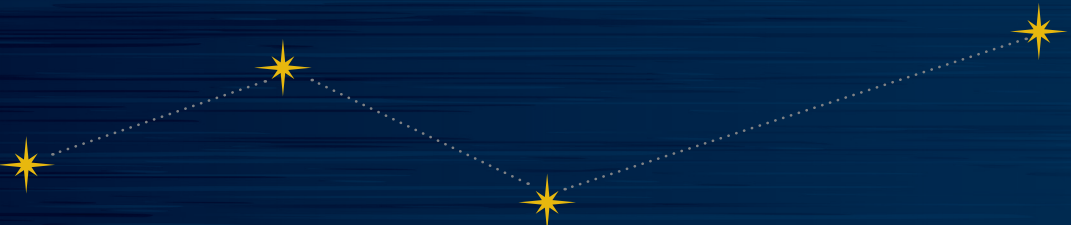


"The Anchorage Economic Development Corporation (AEDC) firmly believes that the Alaska LNG project would be a boon to our economy. As an organization that champions growing and diversifying Anchorage's economy – this project would accomplish both. More well-paying jobs and more revenue for our state is why AEDC supports the development of a natural gas pipeline project in Alaska."

– AEDC President & CEO Bill Popp

"The Alaska AFL-CIO is fully committed to this project. We know Alaskan contractors and workers are the best in the world at building in the Arctic and we look forward to the opportunity to build this project and bring our gas to market."

– Alaska AFL-CIO President Vince Beltrami



AGDC will provide the coalition with regular updates on Alaska LNG as the project advances through the regulatory and commercial processes. In particular, AGDC will highlight opportunities for Alaskans to get involved.

To learn more about the Alaska Gasline Coalition and how your organization can become a member, please email AGDC at coalition@agdc.us.

Upcoming Events – 2018

August

Kenai Peninsula Fair August 17-19 Ninilchik, AK

Alaska State Fair Energy Day August 24 Palmer, AK

Industry Appreciation Day August 25 Kenai, AK

September

Southeast Conference Annual Meeting September 12-14 Ketchikan, AK

October

Board of Directors Meeting October 11 Anchorage, AK

Alaska Federation of Natives Convention October 18-20 Anchorage, AK

SIGN UP

For announcements at agdc.us.

INVITE

AGDC to share information with your company or organization.

SHARE INFORMATION

With your network.

FOLLOW US

On Social Media for regular updates.

Staff Spotlight

AGDC is proud to recognize Olena Brusuelas for five years of service to the State of Alaska. Olena, who is Alaska born and raised, keeps the wheels moving behind the scenes as AGDC's account specialist. When she's not knocking out accounts payable, she's hitting homers in Anchorage's summer softball league. Thank you for all you do, Olena, and your dedication to the AGDC team!



PHOTO: AGDC President Keith Meyer presents Olena Brusuelas with a certificate of appreciation for her service to the State of Alaska