



FOR IMMEDIATE RELEASE

January 23, 2017

AGDC and BP enter into Cooperation Agreement on the Alaska LNG project

Anchorage, Alaska – AGDC is pleased to announce that it has entered into a Cooperation Agreement with BP to collaborate in the development of the financial and tolling structure intended to advance the Alaska gasline and LNG project. This agreement is intended to assist in developing a commercial structure of the project to enable project financing. BP will contribute staff, resources, and selection of third-party contractors.

The stated objectives of the agreement are:

- To progress the effort to utilize third-party infrastructure funding sources as a means to reduce the cost of service on the Project infrastructure.
- Refine understanding of tolling structures to identify a viable and competitive structure for Alaska or identify alternative structures that may be viable.
- Map out an agreement framework & phasing required to successfully execute and operate the Project.
- Assist AGDC in developing the Project on an expeditious timeline within AGDC's target in-service date of 2023-25.
- Identify likely funding sources for FEED and confirm need for new equity investors.
- Introduce common language for discussing risk allocation in commercial structure.
- Identify possible long-term financing structures to reduce project cost of supply.

“AGDC is pleased to have the continued support of BP in advancing Alaska’s major gas infrastructure project,” said Keith Meyer, President of AGDC, “As we turn our attention in 2017 to the areas of commercial, financial structuring, and regulatory, BP’s input will be invaluable.”

The full text of the agreement is found at www.agdc.us/

About Alaska Gasline Development Corporation

The Alaska Gasline Development Corporation (AGDC) is an independent, public corporation of the State of Alaska. AGDC will maximize the benefit of Alaska’s vast North Slope natural gas resource through the development of infrastructure necessary to move the gas into local and international markets. Visit www.agdc.us for up to date information.

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