



Meeting Minutes

ALASKA GASLINE DEVELOPMENT CORPORATION REGULAR BOARD OF DIRECTORS MEETING

April 13, 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 April 13, 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 Absent	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 9:00am.
- 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 asked board members if anyone knew the definition of MIJ. David Wight explained that MIJ is the electrical disconnect between an offshore and onshore pipeline that prevents a catalytic process that could destroy the pipeline.
- IV. APPROVAL OF AGENDA: Commissioner Luiken moved to approve the agenda and David Wight second. The approval of the agenda passed unanimously (5-0).
- V. MINUTES: David Wight moved to approve board meeting minutes from February 9, 2017. Warren Christian second. The approval of the board meeting minutes passed unanimously (5-0).
- VI. PUBLIC COMMENTS: Boardroom – None; Statewide – None
Frank Richards, Senior Vice President of Engineering and Program Management, recognized the passing of AGDC's former president, Dan Fauske.
- VII. PRESIDENT'S REPORT: AGDC President Keith Meyer gave an update on Alaska LNG, which included the FERC Section 3 application, financing, commercial activities, Asia-Pacific marketing efforts, the China initiative, Alaska LNG milestones, and government relations.
- VIII. NEW BUSINESS – AGDC MANAGEMENT/OPERATIONAL ISSUES:
 - A. Committee Chair Updates:

Communication Committee – Commissioner Luiken said the communication committee discussed the regular reports that AGDC sends to the Alaska State Legislature and the importance of maintaining transparency and presenting information that is

consistent and aligned with AGDC messaging. He also spoke to the importance of the Chinese President's visit to Alaska and discussions with AGDC.

Commercial Committee – David Wight said that the commercial committee continues to have ongoing discussions on how to improve the outcome of gasline costs.


Technical Committee – Dave Cruz discussed the importance of the FERC filing for the Alaska LNG Project and thanked all who helped make it happen.

- B. External Affairs Update: AGDC VP of Communications Rosetta Alcantra shared with the board that her team was continuing to build awareness about how AGDC and Alaska are taking the lead on the Alaska LNG Project, show the commercial viability of the project, and explain that Alaska can be competitive in a global arena.
- C. Commercial Update: VP of Commercial and Economics Lieza Wilcox gave a presentation highlighting that the Asian market will experience a contracted supply gap within 7 years and that Alaska LNG is well positioned to target this supply deficit. The Alaska LNG Project will provide large long-term cash flows to Alaska and provide the potential to sell equity after the financing period. Alaska will be able to deliver LNG at a competitive price and high value to customers. Alaska LNG will provide stable, predictable, and competitive long-term returns. The ability to phase the project reduces both risk and the exposure.

Commissioner Drygas phoned in at 10:50am during the FERC presentation.

- D. Resolution 2017-01, Authorizing Submittal of AGDC's Application to the Federal Energy Regulatory Commission (FERC): Frank Richards, Senior VP of Engineering and Program Management, gave an overview of the FERC Regulatory Process. Staff requested that the Board approve Resolution 2017-01, which authorizes AGDC to submit to FERC AGDC's Application for Authorization Under Section 3 of the Natural Gas Act. Warren Christian moved to approve, David Wight second. The Resolution 2017-01 passed unanimously (6-0)

- IX. FINANCIAL UPDATE: Philip Sullivan, Finance Manager, gave an update on the fiscal year-to-date statement of activities through February 2017.
- X. PROJECT UPDATE: Frank Richards, Vice President of Engineering and Program Management, gave an overview of the Alaska LNG Project, focusing on the regulatory process; GTP, PBU, & PTU; pipeline; LNG plant; and marine facilities. Concerning the ASAP Project, he highlighted environmental, regulatory and land, and pipeline/project services.
- XI. EXECUTIVE SESSION: None
- XII. ANY OTHER ITEMS TO COME BEFORE THAT BOARD: None
- XIII. COMMENTS: All the Board members expressed their congratulations to the AGDC team on the amount of work that it had accomplished for the FERC process and on the interest that AGDC is gaining internationally due to commercial and marketing efforts.
- XIV. ADJOURNMENT: Joey Merrick moved to adjourn, Commissioner Luiken second, none opposed. The meeting adjourned at 11:38am.



Dave Cruz, Chair

6-15-17

Date